THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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ENHANCED PRICES HELP TO BALANCE REDUCED YIELD

Total Revenue From Crops May Equal That of 1923

EAST LOOKS BETTER

Business Not Solely Dependent on Crops in Western Canada —East Important Grain Producer

The Business Outlook at the moment is closely linked with the growing grain crop, and in the press and on the exchanges unfavorable news predominates this week. At this time it is not possible to estimate, except in a general way from week to week, and this week, if we are to believe the news that comes out of the West, the outlook is not so favorable. But, on the other hand, it must be kept in mind that long before our Western crops were sown United States speculators began to talk high prices for wheat. The mob loaded up, and they all are now prepared to and are magnifying the crop shortages and spreading other bad news.

The unfavorable Western crop announcements were followed by much speculation as to the probable effect of the new set of conditions on prices, particularly when the prospective world shortage of wheat was published. According to current indications there will be a decrease of some 375,000,000 bushels in the world supply, in comparison with last year. Although the enhanced prices which will naturally result, will have the effect of limiting European demand somewhat, world consumption is a fairly fixed amount, and one seems justified in expecting well sustained higher price levels. Last year the Canadian wheat yield sold for $316,000,000. Even at the low estimate made by the bureau, of this year's crop, the wheat would need to average only 99 cents. a bushel to yield as large a total revenue to the country as last year's crop. There seems little prospect that the average price will be as low as this. The current average is considerably above one dollar, and decidedly bullish factors dominate the situation. In the case of the coarse grains also, it now seems probable that the entire yield will be worth as much and probably more than last year's crop. The following table representing the yield and value of the Canadian wheat crop for the past ten years is of value in estimating the revenue to be expected from the present crop:

Year	Bushels	Dollars
1914	161,280,000	196,418,000
1915	393,542,600	356,816,900
1916	262,781,000	344,096,400
1917	233,742,850	453,038,600
1918	189,075,350	381,677,700
1919	193,260,400	457,722,000
1920	263,189,300	427,357,300
1921	300,858,100	242,936,000
1922	399,786,400	339,419,000
1923	474,199,000	316,934,700
1924	318,640,000	(estimated)

Eastern Outlook Better

Although the crop outlook in the West is disappointing, the same situation does not apply to all Canada. There is a tendency to consider the West the only important grain producing area of the country. Last year Ontario's field crops were valued at $220,749,000 and those of Quebec at $133,137,000 in comparison with totals for Manitoba, Saskatchewan and Alberta respectively of $60,707,000, $248,778,000 and $165,340,000. Thus Ontario produced nearly as large a revenue from field crops as that of Saskatchewan and one-third more than that of Alberta. It thus becomes apparent that the fact that crops are in very favorable condition throughout Ontario and Quebec has a very important bearing on the Canadian business situation as a whole.

The fact that the grain will be

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Canadian Conditions

Car Loadings—Week ending July 5—	1924	1923	
	14,510	11,726	+23.8%
—Year to date—	1924	1923	
	1,450,384	1,335,851	+ 8.5%
Building—Six Months—	1924	1923	
	$51,567,519	$62,581,842	—17.5%
Bank Clearings—Six Months—	1924	1923	
	$7,399,117,549	$7,342,943,497	+ 0.8%
Grain Movement—Receipts to date—	1923 crop	1922 crop	
	410,307,769	308,149,081	+33.1%
Savings Deposits—Chartered Banks—	1924	1923	
	$1,211,504,684	$1,227,253,431	— 1.3%
Current Loans—By Banks—	1924	1923	
	$1,005,425,951	$1,087,969,788	— 7.6%
Net Dominion Debt—	1924	1923	
	$2,389,912,241	$2,409,001,572	— 0.8%
Railway Earnings—Six Months—	1924	1923	
C.P.R.	$ 81,831,000	$ 77,951,000	+ 4.9%
C.N.R.	114,862,559	115,913,120	— 0.9%
Balance of Trade—Twelve Months, May	1924	1923	
Exp.	$1,069,715,880	$ 958,844,577	+11.5%
Imp.	873,370,752	841,209,002	+ 3.8%
Bal.	196,345,128	117,635,575	+67.0%

Dominion Loan Will Await Return of Robb

From Our Own Correspondent.

OTTAWA.—During his six weeks absence in Great Britain and the Continent, Hon. J. A. Robb will make thorough enquiry into the money situation in that part of the world, and will get the best available advice on the subject. Just now the opinion seems to be that the Dominion loan will stand over until he returns; the minister of finance, or the acting minister of finance usually likes to be around when issues of this kind are announced.

The impression here is that the bringing in of foreign capital will probably do more than anything else to get business on its feet.

SEVERE DROUGHT TAKES HEAVY TOLL OF WESTERN GRAIN

Crops in Central Provinces and in Maritimes Much Better

The preliminary estimate of the Canadian cereal crops issued by the Dominion Bureau of Statistics reflects a situation much less favorable than previous crop reports indicated. It must, of course, be borne in mind that accurate estimate of the final yield is scarcely possible until much later in the season. The estimate made by the Manitoba Free Press, in Western Canada, which is usually considered the most reliable authority is not usually available until about the first of September. Nevertheless the fact that the Western crop situation is considerably less favorable than was the case two weeks ago is borne out by advices received from correspondents of THE FINANCIAL POST throughout the West. The bureau's estimate of the yield compares thus with last years figures:

	1923	1924
Wheat ...	474,199,000 bu.	318,640,000 bu.
Oats	575,733,300 bu.	423,623,000 bu.
Barley ...	76,997,800 bu.	66,217,000 bu.
Flax	7,139,500 bu.	6,135,000 bu.

It will be noted from a comparison of the figures that the wheat crop is expected to be one-third smaller, oats 21 per cent. less, barley and flax each 14 per cent less.

At time of writing, however, word is received that the unfavorable crop conditions have been partially reversed, and the situation saved for the present by fairly general showers which visited Northern Alberta as well as Southern and Central Saskatchewan on the 16th. Many districts report a very heavy downpour. As the rain was followed by cooler weather, and a cool spell was predicted, it is felt that the situation has been saved, for the present, over a large area.

The very marked decline in the crop outlook is due to insufficient moisture and a protracted period of scorching weather. In Alberta and Saskatchewan rain is still very badly needed and the crop even at present is much poorer that at this time last year. Southern Alberta has fared better than the north and the central areas where moisture recently has been quite insufficient and conditions at many points are reported to be serious. Saskatchewan has sufffered severely in almost all sections from drought. During the last three or four weeks some districts have received no moisture at all while others report only scattered showers. Both wheat and the coarse grains are, therefore, suffering and a greatly decreased yield is in prospect. The wheat has headed out in nearly all districts and about 70 or 80 per cent. is in the short blade. The straw is reported to be exceedingly short in most localities. No material damage has been reported from hail, insects or plant diseases. Manitoba's outlook is more favorable than that of the other prairie provinces, but lack of moisture and high winds have been very destructive. On the 14th instant practically all wheat had passed the shot-blade stage and was about 50 per cent. in head. The straw here also is short, and the crop is still about two weeks late. Both wheat and the coarse grains should be a good average crop provided sufficient moisture is received from now until harvest time.

The crop in Ontario presents a

(Continued on page 8)

Late Rains Help West; Eastern Conditions Good

From Our Own Correspondent.

MONTREAL.—The Bank of Montreal sent the following crop cable to England on Thursday: Manitoba wheat crop late, but satisfactory condition. In Eastern Central and Southern Eastern Alberta, and North Central Saskatchewan, hot dry winds have adversely affected crop. In other portions of the latter two provinces conditions are generally fair. Much needed rains have improved the situation in several districts during the last forty-eight hours.

Ontario fall wheat ripening prospects are better than the average; other crops doing well. Quebec crops a good average. New Brunswick potatoes look well; hay crop light. Nova Scotia conditions generally good.

FALL ELECTION NOT ANTICIPATED AT THE CAPITAL

Not Regarded as Good Politics—And Funds Are Low

From Our Own Correspondent.

OTTAWA.—The practical politicians, those responsible for the state of the party organization, apparently do not take very seriously reports to the effect that there will probably be a general election this fall. As this parliament is only two and a half years old, and there is no compelling reason why the government should go to the country, these practical men, to whom a general election is something more than a mere frolic, are not convinced that there is a general contest just around the corner.

In the old days when a government thought it couldn't very well carry on without a clear majority, a general election was sometimes brought on in the hope that a clear majority might result. But now when there are at least four groups in the House, and the tendency seems to multiply rather than diminish them, there is very little thought of hoping to escape from the horns of the dilemma by an election. The government appears to be satisfied with the way things are going, for it generally gets the majority it wants on an important matter.

Not Good Politics

The practical politicians are disinclined to think that a general election is in the offing, for they know that these are not good days for governments to go to the country. The natural inclination of politicians is to follow the line of least resistance, to hold what they have and not take long chances on letting it go. If any of them here were inclined to take a chance on the electorate, they probably changed their mind after seeing what Stanley Baldwin hit when he took the plunge, last year.

Viewing the situation in the cold light of reason, and with due regard to the practical side of things, all one can say is that with the passage of the redistribution bill a general election becomes a possibility. But this is very far from saying that it is a probability. Before this bill passed, there was no possible chance of an election, for no government dare face the West after keeping it out of its 11 rightful seats. But with the passage of this bill such an obstacle is removed.

Party Funds Are Low

As for the average member, a general election is about the last thing that he wants, and it may be taken for granted that some regard is paid to his views. As far as can be learned, no minister is aching for a contest.

Another important factor is the view of the average member, who knowing the uncertainty of elections just now, says: "Why should you ask us to take chances on losing $4,000 a year and the honor and privieges that go with election to the House of Commons?" It is also whispered that party funds are at low ebb.

Of course, if illness or death removed some of the ministers, the government might take its chances on a general election, rather than on single by-elections attended by defeats. But such is not the situation to-day, and after all the present day situation is the only one on which an opinion can be based.

Government Now Seeing the Benefit of Tourists

From Our Own Correspondent.

OTTAWA.—In parliament and in government circles there is a growing appreciation of the value of the tourist traffic to the country. A vote of $25,000 to promote tourist traffic in the Maritime Provinces had an easy passage through the House. The same is true of a vote of $10,000 for an enquiry into the promotion of trade with the West Indies. The purpose of this is to see if a better trade treaty can't be negotiated.

A good feature of the situation is the awakening to the fact that something more than government action is required to make business better.

BRITISH IDEA IS CANADA LEANING TO UNITED STATES

Canadians in London Report Evidence of Insidious Propaganda

Special Correspondence.

LONDON.—The great exhibition has filled old London with visitors from overseas, and a great proportion of these are from Canada and the United States. From London there is a steady overflow to Paris, for few overseas visitors pass up the opportunity of visiting France. The result is that accommodation in the two capitals is at a premium.

Canadian visitors are enraptured over the splendid exhibit staged by Canada at Wembley, but it is significant that many of the visitors from the Dominion comment on the lack of news from Canada in the English newspapers. Australia seems to be steadily in the limelight, and every London paper seems to go strong on Australian news, ignoring Canadian affairs with a persistence that almost seems like contempt. It is puzzling a great many people, who have hitherto thought of Canada as the eldest sister of the family, to find that the gossip in Mother's House takes but little notice of her.

Enquiry seems to bring out a strange reason. There appears to be a growing suspicion against Canada's friendliness towards her next door neighbor, the United States. Many people in the motherland seem to think that the senior Dominion is becoming more American than British, that the link that binds Canada to the motherland is not as strong as the cord that pulls her towards the States. The result is a distrust that Canadians are at first unable to account for, and while there is no lack of cordiality towards the Canadian visitors, there is a different feeling towards Australia.

The fact also that Australian correspondents seem to be more on the qui vive with respect to cables to British newspapers, makes the distinction more noticeable. Australian visitors also comment on Canada's relationship to the United States and some of them openly state that the cause of Imperial preference so far as Australia and Canada is concerned, is suffering severely because of the presence of American money and American personnel in Canadian industrial and commercial enterprises.

This predilection for Australia is growing in Great Britain and is having its effect not only on immigration but with respect to commercial and industrial relations also. The

(Continued on page 12)

Radical Body Manoeuvering To Control the Wheat Pool

WINNIPEG.—Unanimity of opinion as to the desirability of establishing a central selling agency in Winnipeg for the wheat pools of the West makes such a project practically certain now, according to those in close touch with the situation here.

It is not expected, however, that definite arrangements will be made until after the election of the permanent directorate of the Saskatchewan pool. The Manitoba wheat pool has also not yet attained its quota of 1,000,000 acres signed up, and, consequently, cannot be regarded as yet as in the realm of certainties. The Alberta pool has already established its own selling agency in the Winnipeg Grain Exchange. The recently published figures by the latter showing the average prices obtained for their grain has been severely criticised by local grain men. The contention that the farmers identified with the pool received more for their wheat than those on the outside is refuted by grain exchange men, who contend that the Alberta figures are not correct. The Grain Trade News here alleges that the prices quoted by the Alberta wheat pool could only have been obtained if the grain had been held and sold around the high marks this spring and summer, in which cases, it is stated, the carrying charges would have largely eaten up the profits.

The recent developments in Saskatchewan in which it has been shown that the Farmers' Union has attempted to gain control of the pool directorate may have a serious effect on the entente which has existed between the latter organization and the members of the Saskatchewan Grain Growers' Association during the pool campaign. The trouble arose when N. H. Schwarz, of Saskatoon, central secretary of the Farmers' Union, sent out a circular letter in which he urged members of the latter body to vote for Union's candidates for the directorate. His letter concluded with the postscript: "'This is strictly confidential and may be discussed only behind closed doors."

Trouble Over Secret Letter

The action has already been repudiated by a number of the officers of the Farmers' Union. It has also been severely criticized by the supporters of the pool in general, but the results will not be apparent until the pool election returns have been announced.

The Farmers' Union represents a new radical movement on the prairies. Over one hundred locals have already been formed, the great majority in Saskatchewan. Collective action by the farmers to obtain their aims is the principle upon which the organization stands. Strikes and intimidation methods to be applied to corporations and governments are sanctioned. As yet the union does not appear to have come into any serious conflict with the older grain growers' associations, but considerable enmity is in evidence. The Union is regarded as the product of the present discontent on the prairies.

THE CROW'S NEST PACT NOT WHAT WEST BELIEVED

Did Politicians Call on a Tiger to Drive Away Dog?

THE ACTUAL EFFECT

Low Rates of 1897 Are Now in Effect But They Do Not Apply to Lines Constructed—East and West Affected

Special Correspondence.

WINNIPEG.—There is an ancient Chinese proverb which says: "Call not the tiger to drive away the dog," and there is a growing suspicion in Western Canada that the western members of parliament have done just this thing with reference to railway rates. The West demanded the return of the Crow's Nest Pass rates, but had in mind the rates that were current in 1918 before the agreement was suspended. Some concessions were made in 1922 with reference to grain and certain other commodities, but this was not deemed sufficient. As a measure of relief from high freight rates, the West insisted on the restoration of the full list.

The suspension of the agreement terminated July 7, and the railways have said in effect: "Take then thy bond . . .for, as thou urgest justice, be assured, thou shalt have justice, more than thou desirest." And the Crow's Nest Pass arrangement as to freight rates has gone into effect to the letter. And thereby hangs a tale.

What It Involves

When the agreement was made in 1897 it was made with the C. P. R., the C. N. R. as such not being in existence. Therefore at points where the lower rates go into effect the C. N. R. must meet the competitive rate. On the other hand there are many points on the C. P. R. not in existence in 1897 and other points not covered by the agreement. These places do not benefit by the Crow's Nest rates and the railways, keeping to the strict letter of the pact, have evidently obeyed the letter of the bond.

The spectacle is therefore seen of Calgary getting tariff benefits under the Crow's Nest agreement and Edmonton not included in the pact, has to pay a higher freight on the commodities she receives or ships. The matter is still more evident on the branch lines constructed since the agreement went into effect.

There is, of course, the appeal to the railway commission, but the attitude of the commission is indicated by a recent dispatch from Lethbridge, where a ruling was sought with reference to this discrimination. The commission reserved judgment. In any event, the commission has the alibi that the matter has been settled by parliament, and that the railways are legally in the right.

The railways have gone back to the 1897 agreement, not the interpretation of it as existed in 1918. Between 1897 and 1918 a great many little discriminations and discrepancies had been ironed out.

In the East Also

Not only in the West, but in the East the judgment will have its effect, directly as well as indirectly. Certain Ontario cities are mentioned in the pact, others are not. Therefore a manufacturer in one city will find himself discriminated against in his western business by the fact that his competitors in Crow's nest pact towns will get around 25c. a hundred pounds lower freight rate to Winnipeg, and as high as 60c. a hundred to Calgary. The Crow's Nest Pass agreement, therefore, has not yet reached the peace stage. It will be a bone of contention for some time yet, and it is possible the whole subject of freight rates will have to be threshed out far more thoroughly than has yet been the case.

Canadian Makes Another Fortune in Chicago Pit

CHICAGO.—Profits of between $1,500,000 and $1,800,000 are estimated by brokers to have been made by Arthur W. Cutten, Chicago grain merchant, in a sale of the last 300,000 bushels of a big holding of July corn at around $1.12, and on recent wheat advances of from 20c. to 25c. a bushel in the Chicago and Winnipeg markets.

A month ago, Mr. Cutten predicted corn would reach a dollar a bushel before the end of July. He persisted in this belief and wet weather which retarded the crop vindicated his judgment.

He also predicted a higher price for wheat, and has been one of the largest holders of futures in the Winnipeg market.

Arthur Cutten is a Canadian, a member of a well known Guelph family.

OTTAWA WANTS TOURISTS

OTTAWA.—The local retail merchants realizing the possibilities of tourist traffic, and thinking that the capital is not getting enough of it, have organized a Merchants' Booster and Publicity Association.

SUCKER SCHEME IS TRIED ON OIL SHAREHOLDERS

Former Associate of Dr. Cook Looks for Easy Money in Canada

RELOADING GAME

Holders of Stocks of Little or No Value Asked to Exchange Them for Other Shares on Payment of Transfer Fee

From Our Own Correspondent.

NEW YORK.—Canada is being flooded with circulars by the American Securities Transfer Company, 140 Cedar St., this city, Canadian bankers tell THE FINANCIAL POST. These circulars are being addressed in most cases to Canadians known to the American Securities Transfer Co., as holders of stocks of more or less defunct oil and mining corporations.

The circulars which are rambling in style, but roseate in tone suggest that the recipients exchange their stock for the stock of the Consolidated Realization Co., also of 140 Cedar St. Should the recipients of the circulars decide to take the stock of the Consolidated Realization Co., they are assured that they will ultimately reap profits of ample proportions on their "original investment."

The American Securities Transfer Co., in these circulars, generously offers to effect the transfer of the securities involved for the modest fee of one dollar.

Not only is the transfer fee an important feature of the reloading scheme, but those who "fall" for it are regarded as invaluable prospects for the sale of shares in other dubious promotions.

Canadian holders of stock of the Castle Oil and Gas Company, Ltd., and the Peace River Petroleums Ltd., have, according to local Canadian bankers received the circulars of the American Securities Transfer Co. The Castle Oil and Gas Company, Ltd., is said to have its headquarters in Niagara Falls, Ont. It has stock of $750,000 outstanding. In 1920 it sold $200,000 worth of stock largely in Canada through Mark Harris of Toronto. The Peace River Petroleums Ltd., had its head office in Toronto and sold most of its stock in Canada late in 1920 at thirty-five cents a share.

Canadian holders of the securities of both these companies should not surrender to the blandishments of the American Securities Transfer Co. The company is merely trying to get them to throw good money after bad. The scheme the "company" is trying to make use of, is almost as well known as the famous Spanish prisoner scheme. It is known to the world of financial confidence men as "reloading." It is a much used scheme to induce "suckers" to permit the exchange of one worthless stock for another for a "consideration."

Associate of Dr. Cook's

A careful investigation of the affairs and history of the American Securities Transfer Co., and those who are behind it made by THE FINANCIAL POST, indicates that the company is a company in name only. The company is one George G.

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Established 1832

Capital ....$ 10,000,000
Reserve Fund 19,500,000
Total Assets 220,000,000

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J. A. McLEOD, General Manager.

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MILESTONES IN CANADIAN HISTORY

1865 to 1924

ATHABASCA
N. W. T.
KEEWATIN
HUDSON BAY
B.C.
ALBERTA
SASKATCHEWAN
PRINCE ALBERT
L. WINNIPEG
ASSINIBOIA
REGINA
MANITOBA
WINNIPEG

1882 The provisional districts of Assiniboia, Saskatchewan, Alberta and Athabasca were formed, and Regina established as the seat of Government of the Northwest Territories.

These four territories were combined in 1905 to form the two provinces of Alberta and Saskatchewan.

Believing in the future of the great West—foreseeing the development of the vast territory between the Great Lakes and the Rockies—the Union Bank of Canada first opened a branch in Winnipeg.

UNION BANK OF CANADA

959

Automobile and Piano Paper

MANUFACTURERS FINANCE CORPORATION LIMITED

TORONTO, Federal Building

AUTHORIZED CAPITAL - - $6,500,000

OUTSIDE INSPECTION OF BANKS

(Calgary Herald)

The difficulties seen by the Bankers' Association in regard to outside bank inspection are not recognized by the trust, loan and insurance companies of the Dominion.

The new president of the association in which these loaning agencies are organized, Mr. A. B. Fisher, has lately spoken favorably of the results of government inspection as it applies to them. He has expressed the belief that government inspection is a factor in good management and in maintaining public confidence. He added that if one company fails all suffer; therefore any inspection which tends to reveal unfavorable conditions and prevent failures is for the good of all.

That undoubtedly describes the situation that centres upon the Home Bank failure. The wrecking of the Home Bank, with the consequent loss and distress imposed on great numbers of depositors, hurt the whole banking service of Canada. It would have been advantageous to all Canadian banks had some system been in operation which, years ago, would have brought the weakness of the bank to light.

THE FINANCIAL POST records the fact that the loaning and insurance companies, with assets now approaching $1,600,000,000, took the initiative themselves in the movement for government inspection and co-operated with various governments in erecting the machinery that exists.

Government inspection of banks is now being instituted in response to a public demand that could not be resisted. The banks would have been in a better position had they recognized the strength of the feeling aroused throughout the Dominion by the Home Bank case and had invited the government to establish, with their assistance, an adequate system of government inspection.

The Business Outlook

YIELD AND PRICE IMPORTANT FACTORS IN WESTERN WHEAT

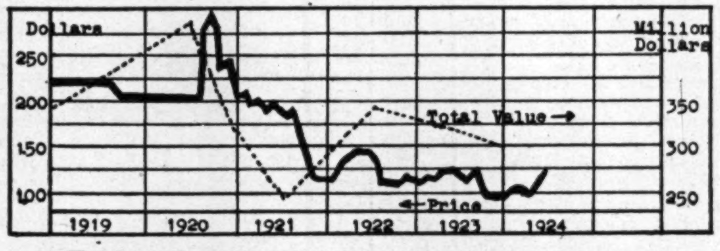
Recent Improvement in Both is Enabling Agriculture to Recover

That a decline of 4 per cent. in the acreage sown to wheat in Canada this year will have no material bearing on the final returns realized by the country from the crop, is evident from the accompanying graphic study. Chart 1 shows that the total value of the crop is dependent largely on the price rather than the acreage. The line showing yearly total value follows closely upon the line representing the monthly price of No. 1 Northern. It will be seen that the lowest price in more than five years was reached at the end of 1923 and that the present prevalent tendency is upward.

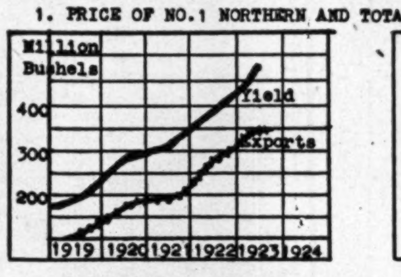
Chart 2 shows the remarkable expansion of the Canadian wheat industry during the past six years, and also compares the total yield with the amount exported annually. As indicated, our domestic consumption has remained somewhere around 100,000,000 bushels, while our exportable surplus has increased with the total yield. The export figure includes flour shipments.

Chart 3 shows that the total acreage has remained about the same during recent years with a slight decline this year, but that the yield per acre has increased very substantially, having more than doubled in five years. This situation is practically the reverse of that in the United States where the land has been used longer, and a decline in yield is taking place.

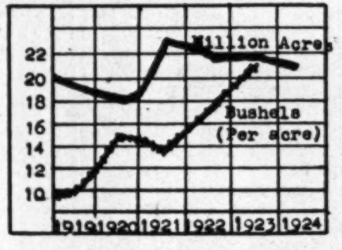
NEXT WEEK—PRODUCTION OF OATS.



1. PRICE OF NO. 1 NORTHERN AND TOTAL VALUE OF WHEAT CROP

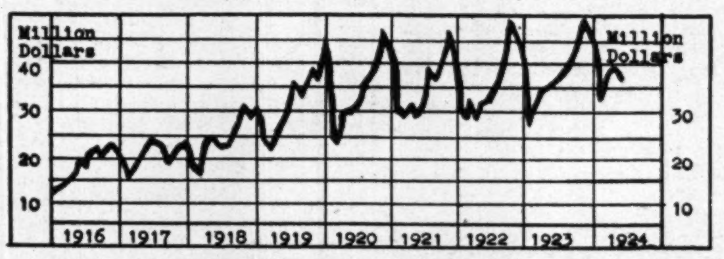


2. WHEAT YIELD AND EXPORTS

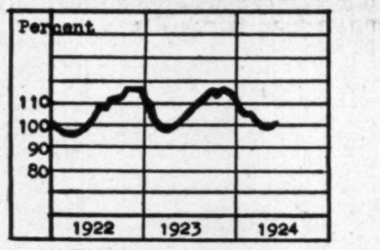


3. TOTAL ACREAGE AND YIELD

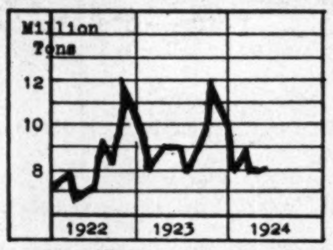
Railway Trend is Seasonal



1. GROSS RAILROAD EARNINGS IN CANADA



2. EMPLOYMENT (Transportation)



3. REVENUE CAR LOADINGS

The most interesting feature of the accompanying charts depicting the current condition of railway business in Canada, is the unusually regular nature of the seasonal movements. In Chart 1, which represents gross earnings of the Canadian National and the Canadian Pacific Railways combined, is seen the influence of the heavy shipments of Canadian agricultural products. The closing of navigation on the Great Lakes is also a factor. During the past half dozen years the movements have become extremely regular, rising to a peak about December and sloping off very suddenly soon after the opening of the year.

Charts 2 and 3 representing the employment situation, and revenue car loadings respectively, show the same seasonal movement even to a more marked degree.

From recent press reports, it is evident that this seasonal movement in Canadian railway business is sometimes overlooked. Certain statements have recently placed emphasis on the alleged effect of bad business as evidenced by declining monthly earnings and car loadings of the two transcontinental roads. A brief glance at the accompanying charts will immediately show that the tendency is merely a normal seasonal movement. We are now somewhere near the bottom of the trough, and the beginning of the crop movement will naturally start the various indicators upward.

NEXT WEEK—THE COAL INDUSTRY.

TARIFF RULINGS

Canadian and Foreign Decisions of Interest to Exporters and Importers

Ottawa.—It is ordered that all tobacco, cigars and cigarettes confiscated or forfeited under the provisions of the Customs Act or the Inland Revenue Act be not offered for sale but be forwarded to the Commissioner of Customs and Excise, Ottawa, to be destroyed.

Australia.—Among recent dumping regulations enforced here, the following apply to products manufactured in Canada:

Kraft Paper: Owing to kraft paper manufactured outside of Australia being sold to an importer in Australia at an export price which is less than a reasonable price, and that detriment may therefore result to an Australian industry, section 5 of the act is applied to kraft paper originated in or exported from any country except the United Kingdom.

A reasonable export price has been fixed at £22 5s. per ton f.o.b. Canadian and American ports and £22 per ton Scandinavian ports. The present price of Australian kraft is £35 per ton all ports, an advance of £1 per ton on the price formerly fixed. A dumping duty will therefore be imposed on imported kraft sold in Australia at a less cost than £35 c.i.f. The product of the United Kingdom is excepted for the reason that the shipments from that country are small and have not come within the operation of the act.

Stocks and Dies: Section 4 of the act is applied to stocks and dies originated in or exported from Canada, the landed duty paid cost of which is less than the manufacturers' selling price of similar Australian-made stocks and dies. This notice affects only shipments the export price of which have been less than the fair home market value at the time of shipment.

Czecho-Slovakia. — Autobuses and ambulances shall no longer be subject to the luxury tax of 10 per cent. when imported into Czecho-Slovakia.

Italy.—Agricultural mowers, reapers, binders, hay-tedders, hay rakes, oilcake breakers, oat-crushers and fodder cutters (the latter interpreted as applicable to chaffcutting machines), irrespective of their weights, are permitted to enter Italy free of customs import duties, providing that they are imported complete. This means that the above-mentioned machinery may be imported "knocked down," but is allowed to enter duty free when, and only when, sufficient parts for assembling a complete machine or complete machines are included in the shipment. Spare parts of the machinery above-mentioned remain dutiable as heretofore.

Netherlands. — Footwear import restrictions have been removed, and no licenses will be required before leather footwear can be imported into the Netherlands.

The Grain Movement

OTTAWA.—Preliminary figures showing receipts at the head of the lakes, also Vancouver, B.C., for the period from September 1, 1923, to July 4, 1924.

	Ft. William and Pt. Arthur Receipts	Vancouver Receipts
Wheat	283,329,287	50,839,433
Oats	50,184,001	668,381
Barley	14,495,947	64,168
Flax	4,369,908	....
Rye	6,023,000	333,644
Totals	358,402,143	51,905,626
Same per'd 1923	291,046,405	17,102,676
Increase over last year ...	67,355,738	34,802,950

GERMAN IMPORTS SERIOUS HANDICAP TO OUR INDUSTRY

Depreciated Currency Makes Possible Flooding of Markets With Products

Germany's industrialists and distributors who are actively engaged in the campaign to flood every market of the world with their cheap goods must reap much amusement out of the lame effort of Canada to maintain her so-called standard of living. After passing legislation to keep out labor whose living standards are lower, including even our own fellow-subjects of the British Empire, our legislators take no precaution against the inflow of goods from countries of depreciated currencies, which is the same, in practical results, as a lower living standard. Our imports from Germany are now four times as great as in 1921 and are expanding rapidly. This is one of the factors in bad business and in the increasingly intense competition which is tending to undermine the business morale of the country, as well as being one of the leading factors in unemployment.

The subject of the increasing volume of German imports has been dealt with at some length in last issue of Hardware and Metal,, which week's publication, after referring to the more obvious phases of the subject, continues:

An examination of trade returns covering a few lines of hardware shows the following increase in imports of German merchandise in the twelve-month period ending last March, compared with the same period ending March, 1923: clocks and watches increased 2½ times; watches, 3½ times greater; glass containers, etc., five times greater; knives and forks, nine times greater; razors, nearly doubled; scissors and shears, five times greater; all other cutlery doubled; hand tools, 3½ times greater; firearms from other countries than United Kingdom and U. S., and therefore very largely Germany, five times greater.

German insecticides have been coming into this country in large quantities since the recent revision in the sales tax and tariff. There is said to be a strong possibility of German binder twine being imported, to bind our sheaves of grain in Western Canada. Some articles of builders' hardware are also finding their way into this country from Germany, for the first time. In electrical supplies, too, the German products are being pushed hard. Evidence of the close trade connection which exists between the German factories and their trade agents in this country is found in the fact that in a recent shipment of electric irons from Germany were some of a type copying exactly some features of a well-known Canadian iron. On investigation the customs authorities found the patents on these features of the Canadian product had expired only a couple of weeks before. Evidently the German factories, acting on advice of agents in this country, were manufacturing this iron before the patents actually expired.

This is the most vital problem which has faced Canadian business men for many years. Every buyer has the solution of it in his own hands and only needs to employ sound, common business sense, apart from any influence of sentiment, to see that a continuation of a policy of buying from Germany wherein the basis of competition is so unequal, strikes a death dealing blow at the vitals of Canadian industry, throws our customers out of employment, and in the final analysis destroys our own business because there are no longer any customers able to buy our products.

LARGER VOLUME OF GRAIN IS MARKETED

Quantities Received and Shipped at Head of Lakes is Much Greater Than Last Year

The fact that the Western grain is coming forward in much greater volume than at this time last year, and yielding a much larger return to the farmer, is shown by the current figures of receipts and shipments at Fort William and Port Arthur.

For the ten months ending with June the receipts of wheat totalled 282,305,000 bushels, in comparison with 236,846,000 bushels for the same period last year, while shipments amounted to 267,539,000 bushels, as against 231,700,000 last year. In the case of oats the difference is all the more marked, and in the case of barley the amounts for the two periods are about the same. Taking the total of all grains, receipts were 356,000 000 bushels this year, and 289,000,000 bushels last, while shipments were 331,000,000 and 276,000,000 bushels.

The above mentioned increase in grain delivery, combined with the increased prices in the case of almost all grains makes a net revenue very much larger than that of last year, and should go a long way towards improving general business conditions.

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Editor, THE FINANCIAL POST,
Toronto.

Sir:—Am pleased to see that you have adopted the graph system of indicating business conditions and hope to see you extend the use of them as far as possible.

R. W. McELROY.

ALBERTA'S POULTRY

CALGARY.—With the exception of British Columbia, Alberta has a higher average number of poultry per farm than any other province in the Dominion, according to government statistics. Canada's average number per farm as a whole is 63.9, but Alberta's average is 79.9. British Columbia's average number is 98.6. The comparative figures are as follows: Prince Edward Island, 60.4; Nova Scotia, 17.9; New Brunswick, 28.2: Quebec, 49.7; Ontario, 79.1; Manitoba, 61.7; Saskatchewan, 76.2; Alberta, 79.9 and British Columbia, 98.6.

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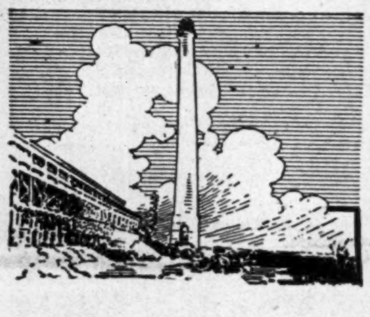

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HOPE FOR WORLD REVOLUTION BY TRADE UNIONISM

Plans of Third Internationale Considered at Moscow

BRITAIN IS TARGET

Rabble of Nondescript Adventurers Including Representative of Canada to Consider Plans for British Uprising

LONDON.—The Fifth Congress of the Third Internationale, now sitting in Moscow, has elected the special "English Committee," which will study the possibilities of engineering a Bolshevist revolution in this country, and will elaborate various plans for the development of the activities of the British Communist Party and the "exploiting" from within of the Labor movement in order to increase industrial unrest, and thus further the aims of Zinovieff, Trotsky and Co.

Greeting the congress, Nicolai Bukharin, head of the Left Wing of the Soviet Central Committee, said the "world revolution" would only succeed when the trade unions secured a firm hold on the proletariat. He admitted that the majority of the organized workers were still under the influence of the Amsterdam International and connected politically with Social Democracy. This was the only obstacle to the seizure of power by the proletariat.

The program he outlined includes the organization of Communist factions within the trade union world, unification of all the opposition elements in the unions, a campaign against Fascismo and a struggle against "reformed trade unions" like the American Federation of Labor.

According to the official list of members of this "English Committee," published in the Pravada, the Finnish Communist, Kuusinen, has been appointed president, and his German "comrade," Severing, and Bennett, an Englishman—secretaries. The members of the Committee itself, which, although constituted for the express purpose of dealing with British affairs, does not include a single Englishman (with the exception of the above-mentioned secretary), are mainly Russians, Germans, and of other nationalities, which shows what little respect Moscow has for the Communist Party of Great Britain and its leaders. A full list of its members follows:

Russians: Zinovieff, Bukharin, Kuusinen, Petrovsky, Raskolnikoff (the late Soviet Envoy to Afghanistan, who was recalled by the Moscow Government by demand of the Marquess Curzon), Lozovsky, and Melnichansky. Germans: Grenz, Gruen, and Ullmer. French: Jerome, Morlain, and Sellier. Italians: Ercolli and Vini. Czechoslovaks: Kullen and Kreitz. Norwegian: Eines. Bulgarian: Dimitroff. Polish: Kraevsky and Brandt. Roumanian: Badulescu. United States: Donn and N. Philipps. Canadian: Brook. Australian: Montefiore. Representative of the Young Communist Internationale: Bamater and a German "comrade."

This international rabble of nondescript adventurers will sit for the next few weeks drafting plans for the organization of a general upheaval in this country, and the "defeat of capitalism," to be preceded by the downfall of the present British Labor Government, while the representatives of the latter continue if not to negotiate—as the Anglo-Soviet Conference has for all practical purposes broken down—at any rate to entertain the agents of the Third Internationale over here who, in the persons of Rakovsky and his followers, are supplying the "English Committee" of the "'Comnitern" with all necessary information and data to facilitate its subversive activities, the British Communists themselves having evidently forfeited the confidence of Zinovieff.

Do New Branches Come Under Crow's Nest Pact?

From Our Own Correspondent.

LETHBRIDGE, Alta.—At a recent session here Dominion Railway Board heard a complaint from Etzikom, Alta., branch of the United Farmers of Alberta, as to alleged discrimination in freight rates. It was charged that points on the Lethbridge-Weyburn line were paying a higher freight rate per hundred than points on the Crow's Nest line of equal distance from the terminals at the head of the lakes. For instance, the rate here is 25 cents. From Etzikom it is 26 cents and Etzikom is nearly 80 miles farther east. It was explained that the point was a purely legal one involving the famous Crow's Nest Pass agreement. It was the first time the commissioners had been asked to pass judgment on it. This was withheld, the point being as to whether branch lines built after the passage of the Crow's Nest Pass agreement are entitled to the lower freight rates enjoyed by lines in operation when the pact was entered into. The point is of far-reaching importance as it affects many branch lines in Western Canada.

Chewing Gum Cost is Above Forest Protection

To emphasize the meagreness of Canada's expenditure on forestry protection, "Broke Hustler," the organ of Abitibi Power & Paper Co., Iroquois Falls, points out that the annual expenditure on chewing gum is more than double the amount of $1.750,000. It points out that chewing gum costs $3,688,000 and face powder $1,000,000. The bill for ice cream cones for juvenile Canadians is larger than the total amount spent on all forms of forest protection and forestry in the province of Ontario. The national bill for cigarettes alone is over $23,000,000, and for cigars over $12,000,000.

N. S. GETS RESULTS FROM TOURIST ADS.

Only One Road to Province Has Close Check on Number of Visitors

From Our Own Correspondent.

SYDNEY.—The province, practically an island, is connected with New Brunswick by a narrow neck of land with but one trunk road along which all incoming and outgoing traffic must flow. At the provincial line, the government has established an office which supplies all information to tourists and also takes a complete census of all cars. In this way there is a check on provincial advertising for tourists in the U. S. The results will not be known until late in the fall but hotel keepers and other unofficial observers declare they perceive a marked increase in the tourist business over 1923.

Co-operative Shoe Plant and Tannery at 'Peg

From Our Own Correspondent.

WINNIPEG.—Under the name of "Finch Shoes, Ltd.," a co-operative tannery and shoe factory will be opened in Winnipeg this fall, according to the announcement made by C. E. Finch, president and organizer of the company. It is stated that the enterprise has the backing of a number of prominent business men in the city. The tannery will likely be located on the banks of the Red river, and negotiations are now in progress for a building in the wholesale section of the city to be used as a tannery.

Mr. Finch has made a close study of the Endicott, Johnson Co., in New York, and is convinced that an enterprise conducted along similar lines here will prove a distinct success. Already a number of employees have identified themselves with the venture. It is stated that plans will be made to commence operations some time this fall.

IMMIGRANTS FOR QUEBEC

SHERBROOKE.—Over 350 immigrants have been placed on farms throughout the Eastern Townships since the first of the year by the Eastern Townships Immigration Society. Most of the immigrants are English and Scotch, but many come from Norway, Sweden, Denmark and Holland. Apparently positions are readily available for as many men as can be secured.

LESS ACREAGE IS AN INDICATION OF BETTER FARMING

Western Farmer Keeping His Net Profits in View

From Our Own Correspondent.

WINNIPEG.—The decreased acreage of western crops reported by the Dominion Bureau of Statistics is not taken here as indicating a farmers' strike, or an attempt to curtail production. It is rather due to a realization of the necessity for reduced individual acreage. This necessity has been urged for some time by farmer leaders, who point out that the high price of farm labor and the recurring shortages, make it imperative for the farmer to reduce his holdings to the area that can be adequately tilled by himself and his family. In the past a crop failure meant not only the loss of the farmers' own labor but the incurring of a debt for the payment of the wages of hired help. This increased the financial deficit on the farm and made things more difficult for the farmer.

On the self-contained farm, however, the farmer and his family can always get enough to live on even though there is no financial profit at the end of the year's operations. Furthermore, if there is no hired man to be paid there is no debt incurred on that score. Hired men take no chances on the crop. They require wages just the same whether there is a good crop or a crop failure. The four per cent. decrease in acreage therefore may be taken as an indication of the stabilizing influence of the present trend of opinion in the West. The western farmer is consolidating his position, and though the acreage may diminish it is probable that the net returns will be greater. The average wage of a hired man means the product of a fifty acre field yielding at least ten bushels of good wheat to the acre. In addition the hired man must be fed and housed. If the farmer cuts off that fifty acres and gets along without his hired man he profits by the food saved and the time that would otherwise have been wasted supervising the hired man, a very necessary part of the day's work.

GET MORTGAGE MONEY AT HOME

SYDNEY.—Of the $122,161 new mortgages issued in the city since April 1, only $40,000 has been outside capital. Local capital also invested $45,141 in mortgages in the surrounding district.

Stability Returns to West Via Land Value Deflation

Speculative Element Disappearing in Readjustments on Prairie Farms—Absentee Landlordism Gives Place to Operating Ownership

Special Correspondence

WINNIPEG.—Deflation of land values in western Canada is causing some concern to land speculators and absentee owners, though rather welcomed than otherwise on the part of banks, trust companies and mortgage holders. To the farmer on the land it may or may not offer a solution of his debt problem.

During the boom period early in the twentieth century, which continued until shortly before the war a good deal of land was taken up by absentee speculators and investors. A great number of eastern Canadians and Britishers, as well as people in the United States bought land and held for the rise. During the boom manipulations profits were made, but when the bubble was pricked the last man in was the first man stuck.

Unfortunately the bona fide agriculturists who bought the land to put it to its proper use, were mulcted the inflated price. With the outbreak of the war and the consequent demand for agricultural products land values again increased. The farms which increased in value did so because the profit covered the increased capitalization. Following the war, however, this profit disappeared and not only did the farming operations fail to cover the inflated capitalization but also fell short of covering the normal value of the farm. Thus farmers who had never owed a cent since their homestead days found themselves in difficulties, and the bigger the farm the bigger the load of debt.

Pyramiding Debts

Many soldier settlers and many bona fide new farmers were taxed with the increased land values and from Fort William to Vancouver Island there are men trying to operate farms and orchards with a series of mortgages pyramiding their losses. A western mercantile house recently made a survey of just one section of its territory in Saskatchewan to see what the farmers had in the way of adequate security for further credits. The titles to 214 farms were searched and only six of the titles were found clear and unencumbered. Over 180 had three mortgages or more against them, and the majority of these had four.

In Alberta a farmer who operated in a big way had his affairs checked up by an accountant, who gave him the disquieting news that no matter how good his crops might be in the next few years he could never catch up to his debts. The interest alone on his mortgages amounted to $7.60 a day. He accepted the situation and entered into voluntary bankruptcy in order to get a new start. He is back where he started but better off than most of his neighbors in that he has a clean sheet to work on.

Tenant Farmers

Most of this accumulated indebtedness in the West has to do with payments on the purchase price and on mortgages. The old method of crop payment has fallen down because crops have been problematical in many districts. In the lean years that followed the close of the war payments of principal and interest fell into arrears, and the farmer has become a tenant. There is this unusual feature about the situation; that taxes have risen to such excent that absentee owners, receiving no proceeds from the occupier of the land, have themselves been unable to keep up mortgage arrears, and their interest in the land has dwindled in value.

The first charge on the land after the taxes are the mortgages. These were mostly put on in prosperous times and formed a fair proportion of the land value at that time. With the value deflated they form a far larger proportion and the mortgagors have had to seek ways and means to protect their interests. A new idea has therefore been evolved; a plan to deflate the land valuation, rehabilitate the property and put it into the hands of a practical farmer at a fair valuation. A recent example is that of a Saskatchewan farmer who declined to carry on the unequal struggle any longer. He had bought the farm at a price around $15,000 and after ten years' work was deeper in debt than when he started. He decided it was time to quit and so notified the owner, who lived in New York. The owner, having had to pay taxes and mortgage interest to protect his equity, foresaw an unprofitable time. In addition to the taxes and interest, a vacant farm meant a stoppage of the little revenue he had been getting, and in addition a levy of from $500 to $1,000 annually, assessed by the municipality to keep the weeds down on the vacant farm. He therefore thought it time to drop out. The farmer heard of this and interviewed the mortgage company. There was $6,000 against the land, and the mortgage company had no liking for the burden that the former absentee owner planned to shuffle on to their shoulders. The upshot was that the company listened approvingly to the farmer's suggestion. He could never make that farm pay on the $15,000 basis, but a $6,000 valuation was a different thing. He suggested the company get a transfer of title from the former owner, and he, the farmer would take over the farm at the mortgage price, providing the mortgage company cut the rate from 9 per cent. to about 6. The suggestion was taken, and the net result is a contented farmer on a farm which he can make pay. The mortgage company has protected its interest, and the only real sufferer is a man who after all simply speculated and lost in his speculation.

Whether this idea is being followed to any great extent is problematical. Admittedly it is injurious to the credit of the West, but desperate diseases need desperate remedies, and only a revaluation can save the situation in many cases.

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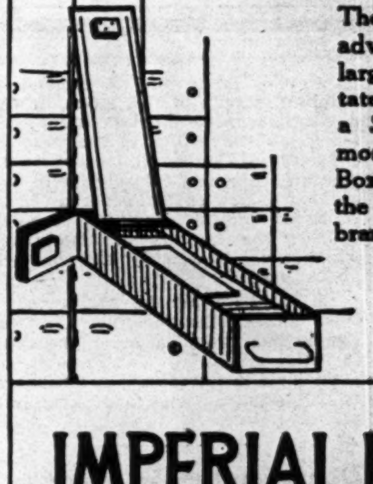

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408

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N. L. McLEOD,
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Toronto, June 18th, 1924.

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C.P.R. SPENDING MANY MILLIONS IN ADVERTISING

Canada's Progress a Reflection of Publicity Effort

LONDON.—"Building an Empire With Advertising" was the subject of a speech delivered here recently before the Associated Advertising Clubs of the World by E. W. Beatty, chairman and president of the Canadian Pacific Railway. Mr. Beatty spoke as representing the business side of Canadian progress and development and outlined the way in which advertising had fostered that country's growth from the earliest days of its history up to the present. He stated that the story of making Canada a nation through advertising went back to the days of French dominion, especially to the colonization movement fostered by Louis XIV. The advertisers of that day were the Jesuit Missionaries whose "Relations" or reports were in many cases circulated throughout the northern province of France in order to further emigration. That colonizing movement ended with the Peace of Utrecht, in 1713, and as a result, for nearly fifty years the development of French Canada was stagnant. One of the reasons for the capitulation at Quebec in 1759 undoubtedly was that the French Canadians of that day had lost heart. No new settlement had come in for forty years—for forty years Canada had not been advertised.

With the British occupation of Canada, colonization recommenced, and with it the advertising for new colonists. Immediately after the expulsion of the Acadians from Nova Scotia, celebrated in Longfellow's poem of "Evangeline," Governor Lawrence issued a proclamation or advertisement inviting settlers from the New England Colonies. Immediately after the capture of Quebec, posters were displayed in Protestant Germany, advertising the advantages of settlement in Canada.

From that time onwards the colonizing effort was continuous, though spasmodic, until 1834, when emigration appeared as a regular veto in the budget of the British Chancellor of the Exchequer, although the annual expenditure of the British Government thereafter on the Emigrants Information Office did not aim at direct incitement to emigration. The service provided was the essence of good advertising, namely, the dissemination of truthful information among those interested in the countries concerned.

C. P. R. Spent $67,000,000

"It was not," said Mr. Beatty, "until the Canadian Pacific Railway appeared upon the scene that an aggressive, consistent and comprehensive advertising campaign for the colonization of Canada was planned and directed from Canada itself. That campaign covered the past 40 years and during that time the company spent on it a matter of $67,000,000 while the Canadian government spent in the same work some $35,000,000. These figures include colonization work generally as well as advertising. This all-important work was begun by Van Horne, the company's first chairman and president. He was a firm believer in the motto 'Truth in Advertising' and he said nothing but what was true of Canada's prairie lands and their possibilities. He worked to bring new settlers from Great Britain and Europe and also to stop the flow of emigration from Quebec and the Maritime Provinces to the New England states and to induce those who hal left Canada to return. In those efforts he was successful; so much so that the American railroads which began by franking an exhibition car over their lines changed their minds and charged full tariff rates. Van Horne also conceived and planned as a world advertisement for Canada the first round the world tour by the steamships and trains of a single company and Chauncey Depew estimated that that trip, made by the 'Empress of India,' was worth half a million dollars to the country."

Brings Capital Too

Van Horne realized that it was also necessary to promote the immigration of capital, and that immigration would be greatly facilitated if the monied classses could be induced to visit the country as tourists. The statement that Van Horne capitalized the scenery of Canada is true therefore in more sense than one. The settlement of a country is greatly facilitated if there is abundant capital to employ labor and to expend on building, supply of live stock, mining development, establishment of factories, etc. Previous to the war, the capacity of Canada to absorb immigration coincided closely with the amount of new capital secured—if the influx of capital amounted to $300,000,000 the number of immigrants which could be readily absorbed was about 300,000.

In order to attract and cater to this tourist traffic, the Canadian Pacific has provided hotel and other facilities which are considerably beyond local requirements or standards of living, and which are themselves an advertisement.

Dominion Bridge Makes Advance at Montreal

Dominion Bridge shares had a 6¼ point rise at Montreal to 74¼. There is some talk of better business, but on the street this explanation is not accepted as being responsible for this sudden move. Rather is it thought that the advance is associated with the move of the National Trust of some time ago, when shareholders were asked to option their stock. The response to this invitation was not a generous one and it was withdrawn without the identity of the principals being revealed. Montreal reports that a great deal of the buying which caused the sudden advance was by a firm which has been rather consistently in the market for it for a long time, while the move was helped along by some who were locked up in the stock when it broke after its sharp rise at the time of the option. The talk of prospective benefits for the company from the new bridge across Montreal Harbor has served to revive interest in the stock, although it is obvious that any such benefits could not be felt for a long time. There are no securities ahead of the stock which the balance sheet shows to have a book value of around $150 per share.

Utilities

MAY EXTEND POWER LINES

Quebec Power Co. and Charlesbourg are negotiating in regard an extension of the lines of the company into the municipality some seven miles away.

MONTREAL TRAMWAYS

Shareholders of Montreal Tramways and Power are being advised by A. E. Beauvais, present executive head of the company, to not accept the offer of United Securities Ltd. The general opinion is that the advice is belated, as it is thought that United Securities is to-day in control of the situation.

MAY JOIN BRAZILIAN BOARD

It is reported that Sir Herbert Holt, president Royal Bank, may be invited to join Brazilian board. There have been rumors for some time that Montreal interests were trying to get control of Brazilian, and this market effort has been associated with the name of Sir Herbert. Montreal holdings of Brazilian are now large.

OPPOSE D. U. R. PLAN

Views expressed by some large shareholders of Detroit United Railway in regard the dividend proposals of Pres. Stevenson are not favorable. They regard the plan to pay dividends in preferred scrip as unfortunate, and would rather see the finances of the company husbanded and a highly efficient and strong system built up which would in the end develop great earning power. D. U. R. directors met this week but no official statement in regard the president's proposal was handed out.

BAROMETER ON BRAZILIAN

There is a tendency to place more credence in the evidently censored official reports of the revolution in Sao Paulo than in the reports and rumors getting out through other channels. Financial Service holds this view, contending that the real barometer is the attitude of the big institutions whose interests are affected and the action of the milreis. Canadian banking institutions do not, so far, consider the situation grave, the big marine underwriters are not advancing their rates on shipments to Brazil and the milreis is holding its own and in fact shows a slight improvement.

FORM HOLDING COMPANY

Creditors of the firm of J. B. Beaty & Co., stock brokers, have decided to form a holding company to nurse the assets. The deficit stands at $265,085, and the trustee expressed the opinion that a forced sale at present would not bring more than $40,000. Some criticism was heard of the commissions paid on Mineralava share sales which ran from $4 to $7 per share.

News and Views for Investors

MARKET RECOVERY HAS DISCOUNTED BETTER BUSINESS

Brokers Lean to View That Recovery is Necessary to Justify Present Prices

The market revival continues on a somewhat reduced scale. Gains on the Canadian exchanges just topped the losses with the bulk of the issues remaining firm. Trading was somewhat narrow, Brazilian shares providing about half the total trading for the week. Brokers state that the selling of these shares was on the part of small holders who found it convenient to switch to something else. The market seems to be traveling along on the accumulation of idle funds a portion of which have steadily found their way to the market. Some brokers hold to the view that part of the new market interest is due to anticipation of a business improvement in the fall. There are not so many believing this to-day as there were a few weeks ago. Neither are there so many holding the view that the present market is not without its dangers for those who rush in. Some brokers claim that the business improvement must come to justify the present existing prices. They state that a fairly general recovery in business has already been discounted.

To give some idea of the present position of the market compared with the high and low for the year, a table is given below showing the range of the bank stocks and a couple of the representative issues of the other groups. In the bank group it will be noticed that many issues have recovered well from the low, but are still considerably removed from the year's high. In the other groups it will be seen that a material recovery has taken place in practically all the stocks given.

So long as money remains cheap, this movement may continue. New York has gone into the market quite heavily and for the first time since early in the year brokers' loans show a material gain. Brokers are calling clients' attention to the fact that stocks are no longer cheap, under present business conditions. If the predicted recovery comes some of the stocks would be cheap. Therein lies the danger. Hayden and Stone make the point that cheap money creates an urge to buy, but does not create values. They sound this warning:

"While we do not at this time anticipate any serious decline, we believe the point has been reached where some degree of caution should be exercised."

There are other brokers who are wary of the market as the following short sentences taken from various brokers' letters this week indicate:

"The market shows a disinclination to absorb long stocks."

"The market is in a bull position."

"Good stocks are a purchase on reactions."

"We anticipate a higher price level."

"We would advise caution on buying side."

"Use all rallies to get out of long holdings, they can be replaced lower down."

"Opportunities should be looked for on the buying side on any sharp recessions."

"It looks as if we were in for a period of hesitation, and probably a somewhat lower range in the next thirty days."

"There appears nothing on the horizon at the moment to check the advance, although it is to be admitted that the market is far ahead of actual business conditions."

Bache Review sees little in the business situation to warrant optimism and believes that already some groups have been overbought. The following tables give an idea of the present position of the Canadian lists showing the year's high, low and the present price..

Banks	High	Low	Present
Commerce	187½	178	180½
Dominion	187	177	177
Hochelaga	150½	143	145
Imperial	179	169½	172
Molsons	159½	147½	148
Montreal	248	231	240
Nova Scotia	257	248	250
Royal	218	211	216
Standard	168	158½	159
Toronto	179	169	173
Union	109	102	103
Papers	High	Low	Present
Abitibi (C.)	69	55¼	55½
Spanish	114	96	105½
Steel—			
Can. Car	50	37	45½
Steel of Canada	83	69½	70
Milling—			
Maple Leaf	69	59	62
Ogilvie	320	304	310
Utilities—			
Bell Phone	132⅝	126	131
Con. Gas	166½	159	163½
Tractions—			
Barcelona	19½	12⅞	15⅛
Brazilian	53⅞	41¾	45
Textiles—			
Dom. Textile	66	54½	55
Penmans	165	134	142
Industrial—			
Atlantic Sugar	21¾	12	12
F. N. Burt	137⅞	125	130⅝
Can. Cement	93	84½	85
Dom. Canners	35⅝	20¾	34

The trend of trading for the past week was as follows:

	Gains	Losses	Unchg.	Total
Banks	3	2	6	11
Paper	5	2	5	12
Steel	4	6	26	36
Utilities	6	3	0	9
Tractions	4	6	9	19
Textiles	3	2	10	15
Industrial	10	9	46	65
	35	30	102	167

Ore receipts at the Trail Smelter of the Consolidated Mining & Smelting Co., for the period June 22 to June 30, amounted to 13,128 tons, and for the period July 1 to July 7, 5,333 tons. For the year to date the receipts total 241,924 tons.

Ruggles Truck is to Re-open; May Move Plant

A syndicate composed of John Bridge and some other Canadians and the Ruggles Truck Co. of Saginaw, are making plans to re-open the Ruggles Truck of London. It is likely that later the plant will be moved to Toronto. The Ruggles Co., was financed in London, the main idea being to carry on export trade. Some success was achieved, but later things went from bad to worse. The management was not of the best and costs were high. Ultimately it went into bankruptcy and is reported to have been purchased by J. G. Kent, Troonto, acting for the syndicate, for $50,000. The old shareholders got nothing from the venture. An inventory is now being taken at the London plant.

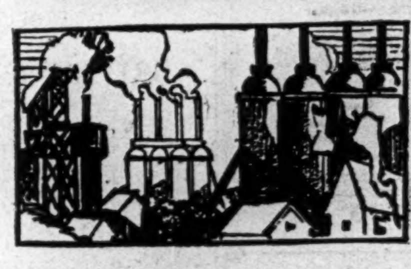
OIL EXPLORATION IN NORTH ALBERTA WILL BE BRISK

Two Large Concerns Have Heavy Holdings in Peace River Country

The amalgamation of Albertas, Keystone and Victory oil companies in Northern Alberta, controlled in Saskatoon, is about completed and it is likely that the repairing and deep exploration of the Victory well will be pushed ahead. It was stated by the officials that drilled the well that the indications where drilling left off were splendid and they desire to have the sands which were showing when work stopped, tested out.

Canadian Petroleums which recently acquired a tremendous acreage in leases from the Federal Government, will likely do something further with the Williams well. There has been about $350,000 spent on this to date. It is understood that the new company is well financed and backed by large interests. While it was announced that their leases were granted for the purpose of extracting carbon black from the gas, it is stated by men who know that THE FINANCIAL POST was right when it stated that the oil possibilities were the attraction. All these things presage a very active oil-drilling operation in Northern as well as Southern Alberta.

Water Power
-a Key to Industry



Attracting Industry

The following industries, many of them branches of American concerns, attracted by dependable and economical power facilities, have located in recent years in the Eastern Townships of Quebec.

Can. Connecticut Cotton Co., Ltd.
The Panther Rubber Company
Dominion Hair Felt Company
Kenworthy Bros. Company
The Dominion Blank Book Co.
G. Schutz Company
Can. Manhasset Cotton Co., Ltd.
Can. United States Knitting Co.
Premier Silk Mills, Ltd.
Waterville Veneer & Panel Co.
Can. H. W. Gossard Co., Ltd.
Butterfly Hosiery Co.
Jenckes Canadian Company
Macdonald Wire Goods Co.
Dom. Silk Dyeing & Finishing Co.
Franco-Can. Dye Works, Ltd.
Paramount Rubber Consol. of Can. Ltd

Canada with her 18,255,000 H.P. of undeveloped water power (32,076,000 H.P. six months in the year) has a great industrial future in store.

The capital which makes possible the development of these water powers will be safely and profitably invested and will benefit the whole nation.

We have prepared a new booklet on Canadian Water Powers. Write for a copy

NESBITT, THOMSON & COMPANY
LIMITED
305-7 Bank of Hamilton Building, TORONTO
Montreal Hamilton London, Ont. Winnipeg
354

SUGAR PRICES EASIER

Canadian sugar prices have eased 15 cents per hundred, following an easier feeling and reduction in U. S. refined grades. On June 23 prices were marked up 10 per cent. Demand is quite steady owing to the launching of the preserving season.

PRESSED METALS

Canadian business of Pressed Metals will be wound up. The company will continue as a holding company, holding preferred and common shares of American Bushing Co., Marysville, Mich. Shareholders have approved of this action, though some of them thought the same should be done with the subsidiary.

Railway Earnings

CANADIAN PACIFIC RAILWAY

Week end.	1924	1923	Change
July 7	$3,397,000	$3,411,000—	$14,000

CANADIAN NATIONAL RAILWAYS

Week end.	1924	1923	Change
July 7	$4,407,628	$4,713,454—	$305,826
Jan. 1 to July 7	119,270,186	120,626,574—	1,356,388

When CANADIAN HARDWARE BUYERS Consult the Thirty-sixth Annual Fall Buying and Directory Number During the Fall and Winter Months, Will They Find Your Message There?

Read and re-read by the largest buyers of hardware in Canada. These men will purchase over $86,000,000.00 worth of goods in the next 6 months.

WHAT IS IT?
36th Annual Fall Buying and Directory Number of HARDWARE AND METAL. An Annual Buyers' Guide that is used extensively during the Fall and Winter months by buyers representing over 95% of the hardware purchasing power in Canada.

WHERE DOES IT GO?
Goes by paid invitation to the leading wholesale and retail hardware buyers in Canada from coast to coast. These men represent over 90% of the hardware purchasing power in Canada. Also reaches several hundred jobbers, salesmen and retail clerks.

WHEN DOES IT GO?
Date of issue is August 16. Reaches the trade at a time when many of the most important orders for Fall and Winter trade are about to be placed.

WHO USES SPACE IN IT?
Manufacturers and wholesalers of heavy and shelf hardware, builders' supplies, tools, paints, and varnishes, iron and steel, guns and ammunition, stoves and furnaces, electrical goods, household labor saving devices, automobile accessories, oils and greases, cutlery, toys, and a wide range of other lines which are sold extensively by the hardware trade in Canada.

WHAT CAN YOU SAY?
You can solicit the Fall and Winter orders of the Canadian hardware trade. You can illustrate and describe lines which you have for sale to the hardware trade. You can give the names of distributors of your products in Canada. You can assist your present jobbers by featuring your products to the hardware trade, and giving a list of jobbers from whom your goods may be secured. You can feature any new lines which you have brought out during recent months. You can supply the retail clerks with useful selling points regarding your products—and the clerks will pass these points on to the buying public. You can place your house and your products before, practically, the entire hardware trade of the Dominion, thus showing Canadian hardwaremen that you desire their good-will, co-operation and business.

WHEN SHOULD YOU RESERVE SPACE?
Right Now. Write us a letter at once instructing us to reserve space for you. Our Advertising Service Department will co-operate with you, without additional cost, in the preparation of suitable copy for the Canadian hardware trade.

We have specialized on "Publicity to the Canadian Hardware Trade for 36 Years." Do not miss being represented in the most important "Hardware Buyers' Guide of the Year." Address your order, copy, and cuts to

Rates: Quarter page, $21; Half page $36; Full page $65; Double page spread $120; extra color, if desired, $25 a page.

Member A.B.C. HARDWARE & METAL *Member A.B.P.*
Canada's National Hardware Weekly since 1888
143-153 University Avenue - Toronto, Canada
Published every Saturday since 1888. The only weekly hardware paper in Canada and the only hardware paper in Canada that gives you a circulation statement audited by the Audit Bureau of Circulations.
Montreal Branch, Southam Bldg. Winnipeg Branch, Confederation Life Bldg.

EVERYBODY SATISFIED

An investigation of this Company's building operations will disclose an uninterrupted succession of fine, clean-cut, high-speed, low-cost jobs, with everybody satisfied.

THOMPSON-STARRETT
Company, Limited
Building Construction

UNLISTED SECURITIES
CORPORATION · LIMITED ·
·AD·6381·
UNLISTED SECURITIES
BOUGHT & SOLD
C·P·R·BLDG·TORONTO

When Remitting
BUY
CANADIAN NATIONAL
EXPRESS
MONEY ORDERS

Province of Ontario
Guaranteeing
Hydro-Electric Power
Commission of Ontario
5% Bonds
Due June 15, 1939
Principal and Semi-Annual Interest (June 15 and Dec. 15) payable at the Bank of Montreal. Bonds may be registered as to principal.
Denomination: $1,000.
Subject to legal opinion E. G. Long, Esq., K. C.
Price: 99 and Interest
Subject to confirmation.
JOHN STARK & Co.
MEMBERS TORONTO STOCK EXCHANGE
Established 1870 Royal Bank Bldg TORONTO

BRANCH BANK MANAGER
at present employed, 13 years' experience, age 31, married, no children, seeks responsible position presenting possibilities of promotion. Would be pleased to consider foreign appointment.
BOX 36, THE FINANCIAL POST.

JAMES W. SEWALL
Consulting Forester.
OLD TOWN, MAINE.
Largest Cruising House in America.

Atlantic Sugar is Operating at Capacity

From Our Own Correspondent.

MONTREAL.—Despite the somewhat sharp falling-off in the export of refined sugar from Canada during the past few months, advices from St. John are to the effect that the Atlantic Sugar Refineries are operating at nearly capacity, and that the company's exports are being well maintained. Considering the market difficulties which are being encountered it is understood that the showing of the company for the first half of 1924 has been satisfactory.

UNLISTED SECURITIES

Industrials, Utilities, Etc.—	Bid	Asked
Can. Assoc. Goldfields	.04	.07
Can. Westinghouse, pref.	132	134
Can. Marconi	.75	1.00
Cockshutt Plow, 7% pref.	25	28
Collingwood Shipbuilding, com.	46	55
Cosgrave	5	5½
Dom. Power, pref.	92	95
Dom. Power, com.	37	39
Dunlop Tire 7% pref.	80	84
Durant Motors (A)	4½	..
Durant Motors (B)	5½	..
Durant Motors (C)	6½	7
Dom. Sewer Pipe, com.	28	31
English Elec., com.	4	..
English Elec., pref.	44	46
Famous Players, pref. 50% com.	70	72
Gunns, Ltd., pref.	32	36
Hamilton Pantages, pref.	46	48
Hamilton Pantages, com.	1	2
King Ed. Cons., pref.	54	57
King Ed. Cons., com.	32	35
K. & S. Tire, com.	..	50
K. & S. Tire, pref.	10	14
Loew's Buffalo, com.	.75	1.00
Loew's Hamilton, pref.	46	48
Loew's London, pref.	5	6
Loew's Ottawa, pref.	18	21
Loew's Toronto, pref.	60	64
Loblaw Groc. 2nd pref.	120	150
Massey-Harris	25	29
Mount Royal Hotel, com.	7	9
Mount Royal Hotel, pref.	47½	50
North Mexico Power, com.	14½	..
Robt. Simpson, pref. 6%	91	93
Western Grocers, pref.	..	33
Loans and Insurance—		
Brit. Am. Assur.	6	7
Capital Life	24	27
Can. Mortgage	54	..
Continental Life	23	27
Crown Life	99	..
Excelsior Life	33	..
Great West Life	225	..
London Loan	44	48
Manufacturers Life	56	58
Mercantile Trust	100	102
Monarch Life, 10% pd.	13	15
National Life $25 pd.	50	..
Ontario Equitable	..	17
Peoples Loan	70	..
Sovereign Life	19	..
Sun Life 50% pd.	170	..
Sun Life 35% pd.	135	..
Sterling Bank	88½	90
Trusts & Guar.	68	71

STABILIZE AUTO INDUSTRY DURING THE NEXT 5 YEARS

Business Then Will Consist of Replacements Only and Will be Huge

Overproduction by certain automobile companies, which has influenced the whole industry, is what is the matter with the automobile industry, according to Walter P. Chrysler, president, Maxwell and Chrysler Motor Corporations. Overproduction, he says, is not the only element entering into the situation, but it is the important one. Tax changes at Washington have created a muddle that has been an influencing factor in the United States, while in some parts of the country the weather has been bad. Automobiles in the past have been bought, not sold. Sales departments of certain companies have arbitrarily fixed sales objectives after inquiring from the production department the capacity of the plants. In other words, up until the present time, there has been no relationship between production and the capacity of the market to absorb cars. Sales departments have not been operating on a scientific basis. They have been successful because there has always been a shortage of cars.

After giving figures on auto production during the peak months of 1923, Mr. Chrysler asks "now what happened?"

Too many cars were produced. To move them certain factories required dealers to take more cars than they could sell. New dealers were added. Some dealers lost part of their territory. Dealers had more cars on hand than ever before. Cars by the hundreds were stored. To make sales more money was allowed for used cars than good business dictated. All in all, an unhealthy condition resulted.

And then spring came along. Factories began to wonder why dealers were not ordering the usual number of cars. Investigation showed that the dealers in most communities were selling as many cars as ever, but the cars sold were those placed in storage during the winter months.

Factories were compelled to reduce production. Stocks depreciated in value. Question was raised in the public mind as to just what was the matter with the industry. The truth is that nothing is basically wrong. The industry as a whole is suffering from the mistakes of a few companies.

But, unfortunately, what can be said about a few companies, as already stated, cannot be said truthfully about all companies or about the industry as a whole. And it is important that bankers especially should have the other side of the picture.

Will Continue to Grow

The automobile business has grown with amazing rapidity, but it is going to continue to grow. First, increase in income means an increased number of car buyers. Others whose income has not increased will buy cars by getting along with less in other lines. Present owners of cars are buying second and third cars. It is getting increasingly common for families to have more than one car. Finally, there is the replacement business, that is the business of replacing the entire car. A study of business shows that after an initial period of risk and loss subsequent to rapid expansion and large profits, the average industry grows at the rate of from 5 to 10 per cent. a year. Eight per cent. growth is a good average to expect of the automotive industry. That means that normal production during 1923 should be 8 per cent. of the registered motor vehicles of 15,000,000, or 1,200,000 cars. In addition, during 1924 there should be a replacement market of about 2,000,000 cars, making a total of 3,200,000 cars for the year. That is less than in 1923, but 1923 saw an unusual if not abnormal growth in production.

Continuing on this basis one may reasonably assume that in 1928 there will be 20,000,000 motor cars.

No Cause for Alarm

There is no reason for anyone to be alarmed over such an outlook. Heretofore automobile dealers have not kept on hand an adequate stock of cars. This has been because most factories until recently were always behind with their production. It is perfectly natural to expect that dealers should keep a reasonable number of cars on hand.

The percentage of incomes of $1,500—to use that figure arbitrarily—is much higher in 1924 than in 1910. That is of real significance to the motor car manufacturer.

It is true that the automotive industry has grown with amazing speed, but the growth has been sound. Take the monthly average production of cars for an example:

1913	40,416
1914	47,422
1915	74,385
1916	131,968
1917	155,746
1918	96,137
1919	164,502
1920	183,767
1921	140,205
1922	215,504
1923	334,408
January, 1924	316,148
February, 1924	367,435
March, 1924	382,456
April, 1924	373,139

But here are figures equally interesting. These figures show the number of cars eliminated each year:

1913	65,000
1914	119,795
1915	170,000
1916	222,000
1917	259,000
1918	316,000
1919	429,000
1920	584,000
1921	790,000
1922	1,023,000
1923	1,232,000

Mr. Chrysler predicts some reduction in output and a corresponding reduction in manufacturers, and in the number of makes. This is not surprising, he says, when it is remembered that 12 companies, making 24 makes, are doing 95 per cent. of the business.

Despite talk of over-production there is a shortage of the more desirable cars. And prices will go up and not come down. Half a dozen companies have already increased prices, and others will do so. Within five years 70 per cent. of the cars manufactured will be closed cars. And it is but a few years ago that cars were sold without tops. It will be another five years before the automotive industry will become firmly stabilized. Then the business will consist principally of replacements, but that will be a huge business.

Milling

FLOUR PRICES AND MILLING SHARES UP

The Movement Reflects the Advance in the Markets for Wheat

Canadian millers have marked up flour prices twenty cents for a net rise of 40 cents per barrel within a week. The strength of the Canadian Wheat situation and the advance in wheat prices, owing to the unfavorable crop reports, is said to have been the reason for the advance. Prices to-day are 90 cents per barrel higher than at this period last year, with car lots of first patents at the close of the market being quoted at $7.60, seconds at $7.10.

Lake of the Woods, Ogilvie, and St. Lawrence, show an advance in market prices. Milling shares have been in fair demand, especially the commons. Lake of Woods is now selling at 182, an advance of 8 points in a month. Ogilvie at 310 is up 5, while St. Lawrence moved up this week from 69½ to 71 on light trading.

Canada Bread common has also shown strength. The last sale a week ago was at 73, while the final sale this week was at 76½, with trading totalling 465 shares, the heaviest week of the year. A steady improvement in the business of the company is reported.

Ontario Flour Mills Buy American Wheat

The recent firming of the price of Ontario wheat caught some of the millers of the softer flours short and produced a more or less unique situation of Canadian flour mills buying United States wheat.

One mill that produces a soft flour for pastry purposes found Ontario wheat prices so high they could purchase in the United States, pay a duty of 15 cents per bushel in addition to transportation charges, and still have a saving in the price.

These importations are, of course, being done on a hand-to-mouth basis, as the new crop of Ontario wheat will be on the market in perhaps less than a month when the millers expect to be able to purchase at a lower figure. This incident illustrates how the manufacturer, as well as wholesaler and retailer, has not been making a habit of purchasing futures, but has been buying supplies and goods as required.

SPEED WAGON
THE GOLD STANDARD OF VALUES
REO
MANUFACTURED *Not* Assembled!

THE Speed Wagon is a Reo creation, and every major unit is a Reo product—designed and manufactured in the big Reo shops.

Engine, clutch, transmission, universal joints, propeller shaft, rear axle,—the whole power line,—was planned as an entirety. Every unit functions harmoniously with its neighbor.

And the same practice, and the same advantages, apply to every other part of the chassis. Springs, frame, and each unit is planned and produced solely for Speed Wagon service.

The inner-frame mounting of power units, the amidship location of transmission, the equitable balancing of weight over the four wheels,—these are unusual practices, and mean a lot to the truck owner. Reo can manufacture trucks this way because all the facilities are *self-contained.*

Write for Illustrated Catalogue.

REO MOTOR CAR COMPANY of Canada, Limited, Windsor, Ontario

STOCK MOVEMENTS OF THE WEEK

WEEK ENDING JULY 15

	Div. Rate	Yield July 14	High For Week	Low For Week	Close July 15	Close July 8	Sales For Week	Range High	1924 Low
Banks—									
Commerce	12	6.66	181	180	180½	180	88	188	178
Dominion	12	6.78	177	177	177	177	58	187	177
Hochelaga	10	6.89	145	145	145	144½	2	159½	143
Imperial	12	6.97	172	172	172	171	10	179	169
Molsons	12	8.10	148½	148	148	148	21	159½	147
Montreal	12	5.00	241	238½	240½	240	121	248	230
Nova Scotia	16	6.36	250½	250	250	250	75	260	248
Royal	12	5.58	216	215½	216	215	122	218	211
Standard	12	7.54	159	159	159	158¾	12	168	158¾
Toronto	12	6.97	173	173	173	170	25	179	169
Union	8	7.72	103½	103	103	103½	21	109½	100
Paper—									
Abitibi, com.	4.00	7.20	56½	55¼	55½	57½	230	69	54
do pref.	7	7.05	..	..	..	..	..	105½	98¼
Brompton Pulp	..	..	30½	29¼	29¼	29¾	481	43	29
Laurentide	6	6.97	86	85	86	85	593	98½	84¼
Price Bros.	2	4.79	41½	41	41	41½	90	45	40
Prov. Paper, com.	6	7.05	..	..	..	..	..	100	83
do pref.	7	7.77	..	..	..	..	..	97½	90
Smith, Howard, com.	4	9.87	40½	40	40½	40¼	120	75	40
do pref.	8	8.79	..	..	..	..	..	100	90
Spanish River, com.	7	6.58	106¼	104½	105½	104½	462	114¾	96
do pref.	7	6.30	112½	111	111	111	73	119½	100¼
St. Maurice Paper	6	6.81	..	..	..	..	..	113¼	83
Wayagamack	..	..	33½	33½	33½	34	10	45	32
Steel and Steel Industries—									
B. E. Steel, com.	..	..	2¼	2	2½	2¼	628	6	2
do 1st. pref.	..	..	34¼	34	34	35½	140	57½	34
do 2nd pref.	..	..	8½	8	8	8¼	483	17	8
Can. Car & Fdry., com.	..	..	47	45½	45½	47	220	50	36½
do pref.	7+1¾	8.04	87	86½	87	86½	115	97	84½
Can. Foundries, com.	..	..	..	..	..	..	..	31	19½
do pref.	..	..	..	..	..	..	..	45	45
Can. Locomotive, com.	4	6.01	65	65	65	66½	1	67	65
do pref.	7	7.95	..	..	..	..	..	92½	85
Dominion Coal	..	..	..	..	..	..	..	81	45
Dominion Iron, pref.	..	..	..	..	..	..	..	57	31
Dominion Radiator	7	7.25	96½	96½	96½	94½	110	96½	94
Dominion Bridge	4	6.06	68	65	68	65	395	80	60
Dom. Steel Corp., pref.	..	..	..	..	..	..	..	73	40
N. S. Steel, pref.	..	..	..	..	..	..	..	68	68
Ontario Steel, com.	4	9.75	..	..	..	..	..	45½	40½
do pref.	7	8.14	..	..	..	..	..	93	86
Canada Iron, com.	..	..	8	7½	8	6	39	8	4¼
do pref.	..	..	30	30	30	26½	179	30	25¼
Steel of Canada, com.	7	9.72	72½	69½	70	72	792	83	69½
do pref.	7	6.93	101	101	101	100½	38	105½	99½
Milling—									
Canada Bread, com.	4	5.26	76½	74	76½	73	465	76½	63
do pref.	7	7,00	100	99¼	99¼	100	11	100	95
Inter. Milling, pref.	7	7.48	93½	93½	93½	93⅜	20	96½	93
Lake of Woods, com.	12	6.59	182½	180	182	177	112	182½	167
do pref.	7	5.97	..	..	..	..	..	120	115½
Maple Leaf, com.	..	..	62	62	62	62	30	69	59
do pref.	7	7.69	91	91	91	91	27	95¾	87
Ogilvie Flour, com.	12	3,87	..	..	..	..	..	320	304
do pref.	7	5.92	118¼	118¼	118¼	118¼	10	120¼	116
Shredded Wheat, com.	8+1	6.61	..	..	..	..	..	138	136
St. Law. Flour, com.	6	8.45	71	69½	71	69½	185	73	66
do pref.	7	7.77	..	..	..	..	..	91½	89
West. Can. Flour	8	8.00	..	..	..	..	..	105	98
Utilities—									
Belle Telephone	8	6.13	131	129½	130¼	130⅜	588	132⅜	125
Consumers Gas	10	6.11	163½	163½	163½	163	7	166½	159
Dom. Telegraph	6	6.93	43¼	43¼	43¼	43¼	8	44½	43
Kaministiquia	8	7.76	104	104	104	103	15	113½	103
MacKay, com.	7	6.07	116	115	115¼	115	237	120¼	110¼
Do. pref.	4	6.03	68	67	68	66¼	152	71½	65
Mexican Light, com.	..	....	..	..	..	..	..	20	18
Montreal L. H. & Pr. Cons.	7	4.04	173	172	172½	172	799	176¼	140¼
Montreal Telegraph	8	6.40	..	..	..	..	..	52½	48
Ottawa L. H. & Pr.	6	7.22	83	83	83	82	52	86	81
Quebec Power, com.	..	....	75¾	75	75	75	65	76	64
Do. pref.	7	7.33	96¼	95½	95½	96½	32	96½	90
Shawinigan	7	5.30	132	130½	130½	131½	245	135½	118½
Southern Can. Power	1.00	....	62½	59½	62½	59	550	62½	50
Transportation—									
Canadian Pacific Rly.	10	6.62	151	149½	150	151½	36	154	147½
Canada Steamships, com.	..	....	11	10	10¼	11½	240	16	10
Do. pref.	..	....	48	46	46	47½	275	52	41½
Tractions—									
Barcelona	..	....	..	..	..	..	..	20	12½
Brazilian	4	8.55	50½	44¼	45¼	49½	29772	53½	41½
Detroit Un. Rly.	..	....	32	31	32	31	296	72½	30
Duluth Superior	..	....	24	24	24	24	50	35	19½
Illinois Traction, com.	2	1.99	..	..	..	..	..	103	60
Do. pref.	6	6.34	94½	94½	94½	93½	6	94½	87
Montreal Trans.	10	5.95	..	..	..	..	..	170	148
Porto Rico Rlys, com.	..	....	26¼	26	26¼	26	100	28	17
Do. pref.	7	9.45	..	..	..	..	..	75	66
Quebec Rly.	..	....	..	..	..	..	..	18½	14½
Toronto Railway	..	....	99	97	97	97¼	1159	100	80
Twin City, com.	4	8.42	48	47	47½	48	185	69	47
Winnipeg Elec., com.	..	....	27¼	25½	27	25	249	30	24
Do. pref.	7	9.21	76	75	76	75	110	85	74
Textiles—									
Can. Conn. Cotton, pref.	8	....	..	..	..	..	..	80	53½
Can. Converters	7	9.03	77½	77½	77½	75	25	90	70
Can. Cottons, com.	8	8.24	..	..	..	..	..	111	85½
Do. pref.	6	6.85	..	..	..	..	..	91	86½
Can. Woollens, com.	..	....	..	..	..	..	..	7	6
Do. pref.	..	....	..	..	..	..	..	41½	35
Dom. Textile, com.	4.00	7.14	55½	53½	55	56½	550	66	53½
Do. pref.	7	6.42	109	109	109	109	2	109½	104½
Monarch Knitting, com.	..	....	..	..	..	..	..	25	25
Do. pref.	7	10.29	..	..	..	..	..	82	65
Montreal Cotton, com.	6	6.12	..	..	..	..	..	100	98
Do. pref.	7	6.60	106	106	106	105	5	107	104
Penmans, com.	8	5.63	145	142	142	146	110	165	134
Do. pref.	6	6.29	..	..	..	..	..	97	92
Wabasso Cotton	4.00	7.14	56½	55	56	58	61	72	55
General Industrials—									
Amer. Salesbook, com.	5	....	..	..	..	..	..	47	38½
Do. pref.	7	7.95	88	87	87	86	16	95	86½
Asbestos, com.	..	....	24¼	24½	24¼	24¼	235	35	19
Do. pref.	6	10.00	60	60	60	60	25	62	52
Atlantic Sugar, com.	..	....	12	11	12	12	88	21½	11
Do. pref.	..	....	37	37	37	32½	50	51	32½
Bird & Son, pref.	7	8.75	80	80	80	86	20	89	80
B.C. Fishing	..	....	13½	11	13½	9½	170	15½	8
Burt, F. N., com.	10	7.84	130¼	130½	130½	127½	20	137¼	125
Do. pref.	7	5.14	..	..	..	..	..	136	136
Canada Cement, com.	6	6.99	85½	85	85	85½	80	93	83½
Do. pref.	7	6.73	104¼	104	104¼	104	40	108	102½
Can. Gen Electric, com.	6	5.35	..	..	..	..	..	58½	52½
Do. pref.	7	6.60	53	52	53	52	266	54	51¼
Can. Indust. Alcohol	10	....	..	..	..	..	..	..	..
Canadian Salt	8	7.14	112	111½	112	112	54	115½	109
Carr. Factories, com.	..	....	..	..	..	..	..	2¼	½
Do. pref.	..	....	..	..	..	..	..	17	15
City Dairy, com.	3	....	54	52½	53	55	262	54	40½
Do. pref.	7	6.36	108	108	108	110	4	110	104
Crows Nest Coal	6	13.04	..	..	..	..	..	51¼	46
Cuban Can. Sugar, com	..	....	6	6	6	6½	100	15	6
Do. pref.	..	....	34	33½	33½	33½	50	54	33
Dom. Canners, com.	..	....	34	30	34	26½	1135	35½	20½
Do. pref.	7	8.09	88½	86½	86½	86	16	90	82
Dominion Glass, com.	7	6.60	106½	106	105½	105½	48	110	102½
Do. pref.	7	6.60	106	106	106	105½	26	107	103
Dominion Stores, com.	1.00	....	26½	26	26¼	25½	198	30	24½
Do. pref.	8	9.19	92½	90	92½	88	72	92½	81
Davies, Wm. (A)	..	....	..	..	..	..	..	20	15
Eastern Theatres, com.	..	....	..	..	..	..	..	14½	12
Do. pref.	7	10.29	..	..	..	..	..	70	67
Ford Motor	10	....	..	..	..	..	..	485	465
Goodwins, com.	..	....	..	..	..	..	..	48½	20
Do. pref.	7+40½	....	..	..	..	..	..	95	69½
Goodyear Tire, pref.	7	9.85	71½	70½	71	72	110	81½	71
Holt, Renfrew, pref.	7	13.20	..	..	..	..	..	66	52
Frontenac Brew. com.	..	....	..	..	..	..	..	70	60
Do. pref.	7	7.75	..	..	..	..	..	122	90
Interprov. Brick, com.	6	9.09	..	..	..	..	..	66½	66
King Ed. Hotel	..	....	..	..	..	..	..	21	21
Lyall Construction	..	....	..	..	..	..	..	21	10½
Macdonald, A.	..	....	..	..	..	..	..	5	4
National Brew., com.	4.00	7.30	55	52½	53½	51½	2789	56½	48½
Do. pref.	7	7.03	100	99½	99½	97	110	100	95
Pacific Burt, com.	6	6.15	94	94	94	97½	25	101	94
Do. pref.	7	7.00	..	..	..	..	..	106	100
Port Hope Sanitary, com.	..	....	..	..	..	..	..	50½	49
Do. pref.	7	7.77	..	..	..	..	..	90	90
Rogers, Wm. A., com.	..	....	..	..	..	..	..	70	45
Do. pref.	7+1½	7.77	92	92	92	88½	3	100	86
Russell Motor, com.	..	....	17½	17½	17¼	17½	2	18	17½
Do. pref.	7	14.00	..	..	..	..	..	56	48
Sherwin-Williams, com.	6	5.91	101½	101¼	101½	100	50	110	100
Do. pref.	7	7.07	100	99	100	99	195	103	98½
Sterling Coal	4	9.87	..	..	..	..	..	44	40
Tooke Bros., pref.	..	....	40	40	40	40	15	40	38
Tuckett Tobacco, com.	4	6.89	59	58	58	60	16	64½	57
Do. pref.	7	7.40	94½	94½	94½	97	5	97	92½
Woods Manufacturing, com.	..	....	..	..	..	..	..	35	25
Do. pref.	7	11.11	..	..	..	..	..	67	63
Trust and Loan—									
Canada Landed	10	6.17	81	81	81	78½	12	86	78½
Can. Permanent	12	6.59	182½	182½	181½	182	33	187	179
Colonial Invest.	6	....	..	..	..	..	..	7	4½
Hamilton Prov.	10	6.89	145	145	145	146	7	146	141
Huron & Erie	7	5.73	122	122	122	122½	50	125	120
Landed Banking	9	6.52	..	..	..	..	..	148	138
Montreal Loan	12	6.48	..	..	..	..	..	46½	46½
National Trust	12	5.66	212	212	..	..	5	215	210
Real Estate Loan	7	8.23	..	..	..	..	..	89	85
Toronto Gen. Trusts	12	5.81	..	..	..	..	..	210	202
Toronto Mortgage	10	5.86	..	..	..	..	..	85½	81½
Union Trust	7	8.23	..	..	..	..	..	85	84

Public Utilities

UTILITY STOCKS BECOMING MORE POPULAR IN U. S.

Prejudice Against Corporations Goes Deeper in Canada

Public utility stocks have recently become more popular with American investors, and prices have been advancing. There has been a growing realization by the American public that public service institutions should, in the interest of their customers and the public generally, be allowed to make sufficient profits to provide adequate sinking funds for renewal of equipment, and also for necessary expansion, as well as a reasonable return on the capital investment to encourage the further investment necessary to take care of such expansion. In Canada there has been noted some improvement in the public attitude, but in several of the provinces the popularity of public ownership still makes it possible to capitalize public opinion in a political way and justify governments going into various business enterprises. In both countries the answer to the question is the same—that efficient public service must be rendered, whether it be rendered by a private corporation or by a government. In Canada, owing to the fact that in some parts of the country the private corporations were very shortsighted in their treatment of the public, the popularity of public ownership has become more deeply rooted, and many people are still convinced that public ownership is the best means of securing the desired service.

As to the increasing popularity of public utilities with investors in the United States, F. Schneider, Jr., writing in a circular issued by Peabody, Houghteling & Company, Inc., says:

A few years ago the utilities were the Cinderellas of the securities family. They had to stay at home in the unlisted kitchen while their industrial and railroad sisters went off to the ball. Now the Prince, in the form of the investing public, is seeking them eagerly.

A few years ago brokers sometimes suggested that investors mix in a few public utility securities, because of the higher yield offered. They now recommend the stocks and bonds of the utility companies because of the safety offered both as to principal and interest.

Better Relations With Public

A combination of factors accounts for the revolution of conditions in the securities markets. The utilities have achieved better relations with the public. Better service and the rapid growth of customer ownership have made them more popular. The State regulatory commissions, which started out as antagonists, now are co-operators.

The utilities have come to take the position that a fair return on their valuations is all they want. The commissions have come to realize that adequate service cannot be given unless the companies are allowed reasonable rates.

The utilities and their customers and their regulatory commissions, in other words, have reached a stage at which they realize they are bound together by a common interest. They are prepared to live and prosper together.

One of the most powerful influences behind the current buying of utility securities is, however, public appreciation of the splendid earning record of the utilities during the depression of 1921.

It is natural, therefore, that at present, when industry is reacting severely and when the outlook is uncertain, the utilities should be popular. Investors remember what the telephone, electric and gas companies did in 1920 and 1921 and conclude that it is a conservative thing to place investment funds in the securities of these corporations. The yields, furthermore, are generous. The bull movement in utilities has a sound foundation.

BELL TELEPHONE GROWTH

The growth of the Bell Telephone Co. is shown in a circular reaching shareholders with their dividend cheques. Pres. L. B. McFarlane shows the development by giving the number of phones in use since the early years of the company. The figures are:

Year	Phones in use
1880	2,100
1890	19,330
1900	38,360
1910	133,910
1920	376,361
June 30, 1924	513,595

He says that in the first six months of this year there was a net gain of, approximately, 27,350 telephones. We have thus exceeded by upwards of 3,700 stations the signal gain for the same period of 1923. Bell Telephone has 11,974 shareholders with an average holding of 40 shares.

JAMAICA PUBLIC SERVICE

Gross earnings of the Jamaica Public Service Company for the month of May amounted to $48,519, as compared with $40,084 for the same month last year. Net earnings at $16,800 showed an increase of $7,225. Following are the earnings for the month:

	1924	1923	Incr.
Gross earnings	$48,519	$40,064	$8,455
Oper. exp. and txs.	31,718	30,488	1,230
Net earnings	$16,800	$ 9,575	$7,225

WINNIPEG ELECTRIC EARNINGS HIGHER

Western conditions are improving, an evidence of which is better conditions in Winnipeg, as shown by Winnipeg Electric earnings which in June and so far in July show an improvement when compared with a year ago, according to A. J. Nesbitt, president, Nesbitt, Thomson & Co., Montreal, a director of Winnipeg Electric.

THREE BRAZILIAN TRACTION COS. IN CENTRE OF REVOLT

Sao Paulo State Would Secede—Movement in Opposition to Federal Leaders

Heavy selling of Brazilian shares and a material decline in Brazilian exchange have resulted from news of a revolution in Sao Paulo. Brazilian share sales this week have totalled 23,000, as compared with 5,000 last week, while the price has dropped steadily from above 552 to around 45. Milreis have dropped from above 10 to close to 9. The Brazilian company controls the Sao Paulo Tramway, Light and Power; the Sao Paulo Electric Co., and the Sao Paulo Telephone Co. The securities of these companies are held mostly in Canada and England. The capitalization follows:

	Stock	Bonds	Debentures
Tramways	$10,000,000	$6,000,000	$3,999,996
Electric Co.	5,000,000	2,000,000	....
*Brazil Phone	5,000,000	7,500,000	....

*Includes Sao Paulo Telephone Co.

Reports are that the States Government in Sao Paulo has been deposed and a new provisional government set up. Official reports are to the effect that the revolution is being put down. Reports are that the movement has spread to the State of Parana, and as the move is chiefly against the regime of President Bernardes, it may ultimately spread to Brazil. Official government reports would leave the impression that the revolt is a repetition of the mutiny which occurred in July, 1922, in the Fort Copacabana at Rio Janeiro. In both instances the movement had an entirely military character, being caused by the indiscipline of a few officers of the Brazilian army, who were utterly irritated over the election of President Bernardes. That first insurrection was crushed almost in its start by the energy of the Federal government, but it seems that part of the irritation remained dormant in some quarters and now broke out in Sao Paulo.

Other views indicate that the outbreak has been brewing some time; that the heavy taxation on wealthy Sao Paulo to provide betterments for backward parts of the country, has been causing much resentment. Indications are that back of the movement is an idea to secede from the rest of Brazil. While the south is said to be the dominant business part of the country, the Brazilian government is dominated by a group of northern politicians, and it is believed that it is against these that the revolt is chiefly aimed.

In the meantime considerable damage has been done to Sao Paulo, and if the bombardment and blockade are maintained the state will be unable to continue its heavy coffee export.

D.U.R. WILL PAY STOCK DIVIDENDS FOR NEXT 2 YEARS

Sinking Fund Requirements on New Financing Heavy —Preclude Cash Payments

If Michigan Public Utility Commission approves, Detroit United Railway shareholders will be paid dividends on preferred stock at rate of 4 per cent. for two years, starting 1925. No further dividends are to be paid this year.

The reason for this plan, now being submitted to shareholders, is that in arranging the recent $9,000,000 financing the underwriters demanded that until the maturity of the issue, five years hence, no cash dividends are to be paid unless approved by the Michigan board. One of the reasons for this is that sinking fund commitments for the next three years are heavy, $1,500,000 per annum, $1,000,000 of which will each year be paid out of the payments to be made by the city of Detroit and $500,000 per annum of which, during the period of the loan—five years—will have to be provided by the company out of its earnings. In addition, requirements as to improvements of the company's property, including equipment, of course, have to be met. It thus becomes impossible for the company to continue the payment of a cash dividend.

The proposed 4 per cent. on the capital stock would amount to $600,000 preferred each year for two years, and this would likely then be replaced by six per cent. cash dividends. This stock may be redeemed by cash payments over a period of 20 years.

President Stevenson calls attention to the fact that earnings for the recent period have been affected by the industrial depression and by more intensive bus competition, which not only affects revenues, but, to meet the competition, has increased operating expenses. Within sixty days, matters will be so adjusted that the company will not suffer any more, at least from this competition than during the previous two years, and perhaps very much less. Plans for the control of important lines of bus transportation which will be co-ordinated with the operations of the company are under way.

Leaders of industry and financial interests expect that by fall—certainly by election date—the situation will be restored to normal conditions. By fall he expects that from changed conditions and economies earnings will exceed those of 1923. These economies include $150,000 reduction in cost of power, and the cutting off of at least $250,000 annually, in cost for the use of the tracks of the city of Detroit to deliver interurban passengers from the limits of the city to the centre of the city.

TOWN WOULD UPSET LIGHT-POWER PACT

Subsidiary of Winnipeg Electric May Have Battle With St. James Municipality

From Our Own Correspondent.

WINNIPEG.—Contending that the street lighting and domestic light and power franchise granted last year to the Suburban Rapid Transit Co., a subsidiary of the Winnipeg Electric Co., was invalid, the municipality of St. James, Man., has given notice of its intention to call for new tenders for this service. A contract was entered into last year which was to run for 14 years but the council have been informed by their solicitor that the municipal act requires that such agreements should be submitted to the ratepayers, and that thus the present contract is illegal. Discussions have been held with representatives of the company, but the municipal heads have remained firm in their position. It is contended that the 1923 council had no right to involve the ratepayers with any power monopoly without their consent. Further, it is alleged that the rates are not advantageous for St. James.

According to the company the rates are almost identical with those in force in Winnipeg, and it is stated that the company has lived strictly up to the terms of the agreement. If the council persists in its attitude there are hints that legal proceedings may follow. St. James adjoins Winnipeg on the west and has a population of about 11,000.

Iron and Steel

IS STEEL INDUSTRY NEAR LOWEST POINT?

Growing Feeling Prevails That Unfilled Tonnage Will Shortly Commence to Expand

The fact that the drastic cutting into the forward business of the steel trades in the United States has halted, is taken as an indication by some that the steel industry has probably passed the low point. While authorities do not look for a radical change before September, the general outlook has improved materially.

The fact that the decline in the unfilled orders of the United States Steel Corporation at June 30 was 365,584 tons in comparison with the previous month was considered rather a favorable factor, since a much greater decline was expected. Although forward business on hand at the present time is the lowest since November, 1914, it is beginning to be felt that low production will have its effect before long, and that increasing activity will soon commence. The unfilled tonnage at the end of each month has been slowly decreasing since 1920, when the average was about ten million tons. This had fallen at the beginning of the present year to 4,798,000 tons and at the end of June to 3,262,000 tons, and without any very definite evidence, there is a growing feeling that a change for the better is in sight.

BESCO RECEIVES BIG C.N.R. RAIL ORDER

May be Increased and Keep Plant Going Until First of September

From Our Own Correspondent.

SYDNEY.—C. N. R. has placed an order of 12,000 tons of rails with British Empire Steel Co. This will keep Sydney steel mills going a month. The immediate shut down announced some time ago by Vice-President McLurg will thus be delayed and the plant will continue at normal, which means a total payroll of about $14,000 a day. The coal fields will be similarly benefited. It is stated on apparently good authority that the size of the C. N. R. order will eventually be increased to 25,000 tons, which would keep the plant going until September, by which time it is thought general improvement in the steel industry will make a shut down unnecessary.

Rate of Steel Mill Operation is Now Low

Rate of steel mill operation is very low, although confirmation of the 16,000 ton rail order from the Canadian National Railways for the British Empire Steel Corporation, assures the operation of that concern for the summer months in place of the announced shutdown, according to Canadian Machinery.

Few new railroad orders are being issued, although some machine tool orders have recently been placed. During the month of June the Canadian Car and Foundry Company shipped 150 fifty-ton composite Hart-Otis ballast cars and ten all-steel second class coaches for the Canadian National Railways. This company has received no orders for equipment in the last month.

TROUBLE BREWS AMONG IRON MINERS

SYDNEY.—Labor trouble is reported to be brewing on Bell Island, where the Wabana iron miners have organized a union in affiliation with the Nova Scotia U. M. W. Besco refused recognition, and mass meetings and other forerunners of strife are making their appearance.

CROW'S NEST COAL CO. SHOWS SURPLUS

Absence of Labor Troubles in 1923 Beneficial — Present Strike Will Hurt

Absence of labor troubles last year allowed Crow's Nest Pass Coal Co. to materially increase its coal and coke production over 1922. The present strike is likely, however, to cripple the 1924 output. Figures for 1923 and 1922 follows:

	Coal	Coke
1923	775,336	65,990
1922	569,339	46,368

Profits from all sources for 1923 were $533,176 compared with $213,959. Coal and coke operations netted $471,679 as against $160,030 in 1922. Profit and loss showed a debit balance of $94,874 and deducting this and $52,159 Federal taxes, there remained $386,966. Dividends called for $372,690, leaving $14,276 for surplus account. Working capital stands at $875,980 compared with $949,377.

The operative returns from the subsidiary company, the Crow's Nest Pass Electric Light and Power Company, Limited, were $9.695.25, and the Morrissey, Fernie and Michel Railway Company, $14,033.29 and in each case the earnings have been carried to reserve for depreciation. In addition to the preceding two items of earnings, there has been carried over from the Morrissey, Fernie and Michel Railway Company, $148.79, from the Liability Insurance Adjustment, which makes a total of $23,877.33, earnings for these two companies, turned over to depreciation charges for the year.

During the year, the coal company has spent on capital improvements, $59,194.33; the railway company, $335.20.

The new officers and directors are: W. R. Wilson, president; H. B. McGiverin and W. H. Robinson, vice-presidents; A. Klauer, treasurer; G. H. Hess jr., comptroller; J. S. Irvine, secretary. Directors: E. P. Earle, Dr. G. W. Howland, A. H. MacNeill, J. T. Maher, J. F. Edgar and L. C. Gilman.

TIGER TIRE FAILS

Tiger Tire and Rubber Co., now in the hands of a trustee in bankruptcy, has close to 4,000 shareholders. Capital issued is $500,000 preferred, $1,050,175 common. The company was organized in Toronto and Belleville three years ago and preferred shareholders drew one dividend. Bonds outstanding total $150,000, said to be held chiefly by the company's creditors. No figures on assets or liabilities have been made public but the impression is abroad that there are small hopes of shareholders getting anything.

FOREST FIRE TOLL IN B. C.

Devastating forest fires are raging on Redonda Island, B.C., and $100,000 in fine timber and pulpwood has already been destroyed.

View of the Press Room, Parliament Buildings, Ottawa, showing Dominion Battleship Linoleum Floor.

Dominion Battleship LINOLEUM

A Quiet, Durable Floor that Aids Efficiency

DOMINION Battleship Linoleum makes the ideal floor for a busy office. This springy, resilient flooring is firm to the tread, yet soft and comfortable. It eliminates the pound, scurry and echo of busy steps and aids concentration by the air of restful quiet it imparts.

Banks, offices, schools, hospitals and public buildings and stores of every description are using Dominion Battleship. They find it unequalled for durability and walking comfort. Its sanitary qualities are welcomed, too, and the fact that it is so easy to clean, reduces upkeep costs to a minimum.

Properly laid with waterproof cement, Dominion Battleship becomes a permanent floor. It resists the heaviest traffic and never needs expensive refinishing.

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Robert Reford Building, Toronto.
C.P.R. Building, Toronto.
Public Utility Bldg., Galt.
Departmental Stores
Hudson's Bay Company, Calgary.
Henry Morgan & Co. Ltd. Montreal.
Other Stores and Restaurants
Tucker's Cafeteria, Toronto.
Essery & Co. Ltd., Edmonton.
Sheffield Lunch, Toronto.
Schools
John Ross Robertson School, Toronto.
Loyola College, Montreal.
Hospitals
General Hospital, Montreal.
Notre Dame Hospital, Montreal.
Churches
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Limited

First Mortgage 6% Twenty-Year Sinking Fund Gold Bonds, Series A.

DATED MARCH 1st, 1924 DUE MARCH 1st, 1944

Principal and semi-annual interest (1st March and 1st September), payable at the Molsons Bank, Montreal or Toronto. Coupon Bonds in denominations of $1,000 and $500, registerable as to principal only, and subject to redemption, at the option of the Company, in whole, or in part, on any interest date on sixty days' notice, at the following prices, and accrued interest:—Up to and including 1st March, 1929, 105; thence to March, 1934, 104; thence to March, 1939, 103; thence to September, 1943, 102.

TRUSTEES: THE ROYAL TRUST COMPANY

CAPITALIZATION

Authorized		Issued
$1,000,000	Common Stock	$1,000,000
1,000,000	8% non-cumulative Preferred Stock	730,300
5,000,000	First Mortgage Sinking Fund Gold Bonds (this issue) Series "A"	1,000,000

The following information is summarized from a letter written us by Mr. F. B. Hayes, President of the Toronto Carpet Manufacturing Company, Limited:

THE COMPANY AND ITS PROPERTY: The Toronto Carpet Manufacturing Co., Limited, founded in 1891, is now the largest manufacturer of carpets and rugs in the Dominion. Its main plant occupies an entire city block on King Street West, in Toronto. In addition to the plant devoted to the manufacture of carpets, the Company owns or controls subsidiaries manufacturing woollen cloths, flannels, yarns, etc., together with a subsidiary company, in Philadelphia, Pa., for the manufacture of carpets for the United States' market.

BOND ISSUE: The Bonds are a first mortgage on all real property of the Company, now owned or hereafter acquired. Further bonds may be issued for not more than 60% of the actual cost of additional property, acquired or constructed after March 1st, 1924, and then only when the Company has shown net earnings for the preceding year of not less than twice bond interest requirements of all bonds outstanding, including those of the new issue.

It is also covenanted that the Company will, during the life of any of the present issue of Series A Bonds, keep a surplus of current assets over current liabilities of at least $500,000. In the event of any further bonds being issued under this mortgage, such surplus of current assets shall never be less than 50% of all bonds at any time outstanding.

ASSETS: The Company's fixed assets, as recently appraised by the Canadian Appraisal Co., amount to $2,180,110, or over twice the amount of this issue. In addition the Company's statement as at December 31st, 1923, after providing for the proceeds of the present issue of bonds, shows net current assets of $3,263,806. Total net assets, after deducting all current liabilities, amount to $5,443,916, or over five times all bonds of this issue outstanding.

EARNINGS: The average annual earnings for the past six years, available for bond interest of $60,000, amount to $436,108 or more than seven times bond interest requirements. Regular dividends have been paid without interruption since the Company's inception thirty-two years ago. The present rate is 8 per cent on both Preferred and Common shares.

SINKING FUND: A Cumulative Sinking Fund of three per cent of all bonds at the time outstanding, plus six per cent interest on those which may have been retired through the action of this fund, will retire the entire issue of Series A bonds by maturity.

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The statements contained in this advertisement while not guaranteed, are based upon information we believe to be reliable, and on which we acted in purchasing these securities.

Pulp and Paper

U.S.A. WOULD NOT RETALIATE IF WE EMBARGOED PULP

Quite Likely American and Canadian Mills Will Work Together

From Our Own Correspondent.

NEW YORK.—Many American pulp and paper men are more worried about loss of wood by fire in Canada than about the possibility of losing a supply of wood from Canada through an embargo. The Americans opposed to the embargo are pressing their campaign strongly and will fight the proposal to the last ditch but they represent only a portion of the American paper industry. It is significant that the International Paper Company, the largest institution in the industry, is not taking any stand for or against the pulpwood embargo. This is because the International is just what its name implies and its Canadian paper making activities may in time overshadow its American paper making activities. The second largest paper company, the Union Bag and Paper Corporation, is saying nothing and it also has a Canadian mill, the St. Maurice Paper Company, which it is enlarging. The third largest newsprint producer in New York state, the St. Regis Paper Company, has already laid its plans to expand in Canada and so has the Continental Paper and Bag Mills.

No Danger of Sulphur Embargo

The fight against the embargo is being led by book paper manufacturers who could not manufacture their product in Canada because they could not export to the United States over the high tariff wall.

One of the most oft-repeated threats is that if Canada cuts off wood for the States, the Americans will retaliate by putting an embargo on sulphur and coal which now come largely from the States. This statement is largely bluff. Reliable information received by THE FINANCIAL POST from Washington is to the effect that there is no possible danger of an embargo being placed on the exportation of soft or hard coal from the United States. It would be revolutionary for the coal business, which is in such a bad condition now that such action could not be contemplated. As to sulphur, Canada has its own sources of supply. An embargo on American sulphur might in the end benefit Canada by forcing exploitation of our own dormant sources of supply.

Would it be "Unfriendly Act"

One of the big American paper men, talking to THE POST this week said that he felt that a pulpwood embargo would be considered an unfriendly act on the part of many Americans who would feel that Canada was endangering many millions invested in timberlands and pulp mills by United States citizens who counted on being able to continue shipping Canadian wood to the States. To which the obvious answer is that the embargo could not cause as much loss to Americans as was caused to Canadians by the equally "unfriendly" high tariff wall against our agricultural products that has caused great suffering in the Canadian northwest.

As a matter of fact the United States and Canadian pulp and paper interests are likely to work closely together to meet their common problems. And the Canadian pulpwood embargo is not the big problem of the moment. Flooding of the United States market by cheap pulp from the Scandinavian countries, and cheap print paper from Germany and wastage of forest heritage through fire and insects are the menacing problems the pulp and paper industry in both countries is facing to-day.

RIORDON ASSETS TO BE SOLD BY AUCTION

Embrace Some of Greatest Assets in World for Company of This Kind

From Our Own Correspondent.

MONTREAL.—The sale by public auction of all the assets of the Riordon Company is advertised. The sale is under authority from the Winding-Up Court by which the Liquidator, Gordon Scott, will unite with the Montreal Trust Company, as Trustee for the 8 per cent. bonds, and The Royal Trust Company, as Trustee for the 6 per cent. General Mortgage Bonds, in selling all the Riordon properties.

Creditors and others interested in certain properties solely, are afforded an opportunity to bid for these properties without bidding for all the properties. The Hawkesbury, Calumet and Rouge properties are first offered separately from the Merritton, Montreal and Ticonderoga properties, and then they are offered with them as a group.

Riordon Company embraces some of the greatest assets in the world for a company of its particular character. Its timber holdings amount to 9,638 square miles, estimated to contain 858,000,000 f. b. m. of pone, 21,000,000 cords of pulpwood, 1,037,000,000 f. b. m. of hardwoods and 3,500,000 cedar ties. The water powers belonging to the company have an ultimate capacity of 163,500 continuous horse power; about half the developed horse power of "Shawinigan" which has 373,000 horse power developed. The pulp and paper plants of the company have a total capacity of 122,000 tons per annum and their lumber mills can produce 90,000,000 feet b. m. per annum.

NEWSPRINT MACHINE ORDERS

Newsprint machine orders on hand by Charles Walmsley & Co. total nine.

TO PRODUCE PULP ONLY PLAN OF NEW WINNIPEG CONCERN

Will Sell Product to Makers of High-Grade Papers—Expect Good Market

WINNIPEG. — Some misunderstanding has evidently arisen in regard to the formation of Canadian Chemical Pulp and Paper Co., and the objects it has in view. This company proposes to use straw for the manufacture of pulp. W. R. Allan, of Allan, Killam and McKay, has taken up the various points raised.

In regard to the contention that the market for high grades of paper in Canada is necessarily limited by reason of the fact that the great United States market, open to Canada's newsprint, is not open to better grades of paper, and from these premises the deduction is made that the new mill will have to find its market by taking business away from mills that already have a capacity beyond the needs of the country, he says, it would seem that the impression is that the Canadian Chemical Pulp and Paper Company contemplates the immediate manufacture of high grades of paper, such as can be made from straw pulp. This is not the case. It is intended to manufacture pulp—not paper—and it is hoped to sell this pulp to the already established manufacturers of high-grade papers, both in Canada and the United States. It is believed that the introduction of straw pulp for this purpose will be the means of enabling the paper manufacturers to produce high-grade papers at reduced costs.

He states most emphatically that the company is not being formed for the purpose of providing a substitute for groundwood and newsprint, and on the question of whether the raw straw can stand transportation to the mill a second point raised by a chemical engineer, he says that if the criticism is from the physical standpoint, he points out that straw has been shipped from Winnipeg to Belgium and there manufactured into pulp and paper. If from the financial standpoint it is estimated that straw can be landed at the mill in Winnipeg at $6 per ton.

The balance of the chemist's criticisms are apparently based on a misunderstanding, says Mr. Allan, but his admission that straw can be used to manufacture high grades of paper confirms the very exhaustive researches which have been made into this question. The question of baling straw for transportation has not been lost sight of, and that, as already stated, there has never been any idea of using the pulp produced by the de Vains Process as a substitute for groundwood and newsprint paper, and, consequently, there will be no necessity to go into the expensive experiments to which he refers.

In researches as to the feasibility of adapting the de Vains Process to use in Western Canada, thereby making use of a raw material which largely goes to waste, namely straw, and giving the Western farmer some return for a product which, under existing conditions, is burned in order to be got rid of, the impression has been formed that high-grade papers are manufactured by the blending of various constituent materials in varying percentages according to the class of paper which it is desired to make. It is believed, based upon information supplied by technical experts of high repute, that straw pulp, made by the de Vains Process, can be used in making high-grade paper in percentages varying from twenty-five to one hundred per cent. The capacity of the proposed mill is fifty tons of pulp per day, and enquiries made from manufacturers of high-grade paper in Canada and the United States lead to the belief that this pulp will be marketable at prices which will give an adequate return on the capital employed, and, in addition, be of benefit to the farming communities where it is hoped to erect mills. At the present time Winnipeg, with a fifty-ton mill, is all that the Canadian Chemical Pulp & Paper Company has in mind, and Winnipeg is eminently suited for the purpose because it commands the two great essentials, namely, cheap straw and cheap power. Statistics show that, within a radius of fifty miles of Winnipeg, there is about ten times as much straw grown (wheat, oat and barley) as is necessary for a fifty-ton mill, and Winnipeg, through the Manitoba Power Company and the City Hydro Plant, enjoys the cheapest power in Canada, and, perhaps, on the continent of North America.

Paper Price Not Cut to Seventy Per Ton

In regard the report that newsprint contracts are being quietly made in the U. S. at $70 per ton, Editor and Publisher quotes A. R. Graustein, of International Paper, as stating:

"When the rumor that there was to be a further reduction in the price of newsprint was called to the attention of officers of the International Paper Company, it was stated emphatically that they had no knowledge of any impending reduction."

The International Paper Company recently followed the course of Canadian manufacturers in making a specific reduction from $3.75 per cwt. to $3.65, or $73 a ton. The Great Northern Paper Company has not made any change from the $75 price which was fixed at the beginning of the year, and the New York paper states that "it was understood that this price was definitely established for 1924 and would not fluctuate."

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Riordon Rumor Starts International Paper Up

International Paper issues have been quite strong of late in New York, advancing over three points in one session. This is believed to be due to the strong possibility that this company will eventually come into possession of the bulk of the Riordon holdings which are to be sold on Sept. 8. Pres. Graustein, the new head of International Paper, was one of the leaders in the movement to try and reorganize Riordon for the bondholders. It is believed that the company desires to extend its paper-making operations in Canada and enlarge its power operations in the United States. Forbes magazine has the following to say of the company:

"International Paper is favorably regarded by those who have carefully studied its earnings and financial position. Last year earnings were better than $11 a share on the approximately $20,000,000 of common stock, against a deficit of $3,756,493, after interest, in 1922, and a deficit of $784,500, after interest, in 1921. In 1920, the year of record earnings, Paper reported more than $52 a share on its common. The significant things in the International Paper situation are that, after a strike which lasted for more than half of 1921, there has been a distinct improvement in its labor situation which gives promise of stability for several years to come; and that its valuable water power rights are being systematically developed. At Sherman Island, on the Hudson River about seven miles from Glens Falls, there has been erected a complete hydro-electric plant with a normal output of 20,000 horsepower. It is estimated that about $500,000 net income is now being received from sales of power, and other plants are in process of construction which should expand net income from this source."

To Fight Imports of Low Cost Pulp and Paper

From Our Own Correspondent.

NEW YORK.—The allied supply and equipment industries of the pulp and paper industry have decided to follow the lead of the American Paper and Pulp Association and make an organized attempt to fight imports of low cost foreign pulp and paper. At a recent meeting of representatives of the various industries affiliated with the paper industry an organization committee was appointed to consider ways and means of co-operating with the paper and pulp association.

CANADA OF THE FUTURE
The Royal Bank of Canada
MONTREAL

THIS little volume—while aiming chiefly to give an indication of what may be expected from Canada during the next few decades—embodies also general information of particular interest to those who do business with Canada, or who contemplate establishing in the Dominion.
We shall be glad to furnish a copy of the booklet on request.
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MILLS AT
SHAWINIGAN FALLS, QUE.

DOMINION CANNERS

The street seems to have no explanation to offer for the demand which has appeared for Dominion Canner issues. The common was stationary around 26 for some time up to the end of June and since then has moved up to 33¾, the bulk of the buying being in the last ten days when about 1,100 shares changed hands. The preferred has also shown strength. Offerings of the stock are said to be meagre. The company's fruit pack is said to be showing success, operations being on the enlarged scale made possible by the consolidation with a large number of smaller companies and the formation of a new operating company.

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News of the Mines for the Investor

HOLLINGER SHOWS REAL STRENGTH ON MINING EXCHANGE

Possibility of Power Deal Going Through is Said to be Behind the Buying

The mining market has given the best display of strength this week that has marked trading in these shares for some time past. Hollinger was the leader in activity, moving up to well over $14. There was a good demand for the stock and brokers say that the available supply is not large. Interest in the issue is believed to be due to the possibility that the large power deal which has been under negotiation for some time is now nearing consummation. If completed Hollinger will be relieved of the large commitment necessary to construct its power plant on the Abitibi River. This money will then be available for dividends. At the same time the production of the big mine is climbing steadily with net profits going up in proportion.

Consolidated West Dome, which was weak last week, has shown new strength. There has been considerable buying but the offerings of the stock are heavy, owing to the uncertainty which surrounds the outlook for the future. It is said that the mill is about ready to turn over.

Lorrain Consolidated was another issue to come back. Rumors that the high-grade shoot which the company opened out, had been exhausted, are denied. It is said that the ore is holding well and in the meantime development is nearing two other important veins.

The other gold issues have remained quite firm and the same with the silvers.

Keora Encounters Break Similar to the Woods

Reports from the management of the South Keora property in Lorrain are to the effect that while cutting a road down to the railway a large break, almost identical with the Woods' break of the Keeley and Mining Corp. was encountered. It has since been traced for over a half mile on the property and stripped for some distance. It shows a width 8 to 13 feet wide. The break is badly eroded and leached out. In one place a bar was inserted the full length. There is plenty of calcite and the structure seems to be identical with the situation which Trout Lake Lorrain encountered in sinking its shaft. It is the intention to sink a series of test pits on the break, carrying them down 15 feet. This will give an indication of just where to start work. To the east of the break and running towards it are a series of veins, some with strong showings of calcite over a good width. The proposal of the management is to sink where one of these veins cuts the break. The opinion is expressed that the break is either a new ore or an extension of the Woods' which turned south and west.

Important Settlement of Quebec Mine Dispute

Crown Reserve and McQuane dispute at Lake Fortune is settled. A conflict of boundaries was discovered in which about 40 acres appeared likely to be left as a fraction. The case was taken before the Quebec authorities, and was settled by each claim holder taking one-half of disputed ground.

The settlement sets a most important precedent, and will probably figure in paving the way to disposal of other disputed ground in Quebec, where the exceptionally long claim lines have caused fractions to be left unintentionally.

Dome Recovery Shows Quite an Improvement

Dome Mines for June recovery was $360,750, from 39,080 tons milled, an average of $9.23 per ton, the best month this year. Early in 1924 average per ton dropped to around $8 as compared with $10.43, the average in the report for the nine months period ended with December, 1923. Lately there has been some improvement. April average recovery was $9.04, May $9.10, and June $9.23. Total recovery for the first six months of 1924 was $2,122,980, or an average of $353,830 per month. In the final nine months of 1923, the output was $3,345,477, an average of $371,700 per month.

Big Increase in Ore Reserves is Expected

McIntyre Gold Mines annual statement for the year ending June 30, is expected to show a substantial increase in ore reserves, it having been intimated that reserves will be about $4,000,000 higher than a year ago. Not only this, but in recording this big increase the lower levels of the mine have not been counted upon to the extent which results might reasonably warrant. The financial statement of McIntyre will be far better than at any previous time, while the program of work outlined for the new fiscal year just commenced is much greater in scope than anything heretofore undertaken on the McIntyre.

CUTS HARKER VEIN

The vein has been cut at the 125-foot level of the Harker Gold Mines, at which point the mineralization appears to be heavier than at the surface.

PUSHING AHEAD NEW SHAFT

Teck-Hughes Hopes to be at 500 ft. Level by October

Teck-Hughes June production was $89,000. It is reported that development continues favorable. The new shaft is well below 125 ft. and it is the aim of the management to reach 500 ft. in depth by early October, and with 1,000 ft. in depth as the objective around the end of the year. The final objective is 1,600 ft., following which it is proposed to erect a much larger mill than that now in operation.

Bingo Orders Lumber For Erection of Mill

Joseph Myers, managing director of Bingo Mines, has forwarded to THE POST a copy of his latest report to the head offices at London. He says: Forty-one further samples from first, third and fourth levels, covering two hundred feet of drifting average $23.25 over five feet, the full width of the drift. A contract has been let for the lumber for mill requirements to be delivered not later than September.

Selective Mining at Barry Hollinger Mine

Barry Hollinger development is to be carried to 750 ft., following the successful development of the upper levels. Maurice W. Summerhayes, consulting engineer, has just completed another examination of the mine, and has become convinced that the ore in sight warrants construction of a mill. The plan of operation will probably be to carry on selective mining. The ore in the pay-streak is readily distinguishable from the remainder of the vain, and no difficulty would be experienced in sorting the high grade. The shaft is perpendicular to a depth of 500 ft., the vein is being opened by a winze below that horizon. The length of the ore shoot at the 500-foot level is much greater than at the 350-foot level, and this has given rise to the belief that still greater depth may disclose ore in much greater volume.

New Hattie Vein is of Little Significance

Word has been received from the north that a new vein showing free gold had been encountered on Hattie. This is evidently an effort to try and bolster up the falling market price of the stock. This is not the first rich shoot of ore which has been encountered on Hattie. All have been narrow, however. Engineers familiar with the property state that Hattie's chances of ever making a mine are in the finding of a large ore body and for this reason they approve of the recommendation of J. B. Tyrrell to diamond drill. Hattie stock has been quite weak, between 5 and 6 cents.

Physical Condition of Keeley Best in History

Keeley Silver Mines income for June amounted to a little over $100,000, and rounded out a total income of around $600,000 for the first half of 1924. The physical condition of the mine is the best so far in its history and no difficulty will be experienced in maintaining current output for some years. The dividend disbursements of 12 per cent. at intervals of six months will probably be continued.

Tough-Oakes Making Ready For Production

Tough-Oaks Burnside's most important development is on the main vein on the 1,025 ft. level. The vein is split into two sections, each running about five feet wide, and in places these are close enough to make one section of ore. Widths up to 16 ft. of fine ore have been disclosed. Something like 80 ft. of drifting has been done and this has shown a grade of from $15 to $20 a ton, with some sections running very high. On upper levels ore shoots totalling in length over 200 ft. have been developed and the management expects that the new deep level will greatly increase ore resources. On the upper levels of the mine, preparations are being made to put the mine in shape for production. Stopes are being started at several points. The number of machines has been to eight.

Big Increase in Output Being Made at Trail

Trail Smelters has launched an 18 months construction program. Consolidated Mining and Smelting will thus add 130 tons additional capacity for the lead refinery, a dressing and casting plant for the lead furnaces and additional Dwight and Lloyd roasters. A substantial increase in the zinc refinery is being made. Enlargement of the silver refinery is taking place and a plant installed in connection with it for recovering antimony.

PUSHING DEVELOPMENT

Kirkland Lake Gold has closed its mill and will confine work to the exploration program, involving the deepest work in the camp. At present the only work underground is that of continuing the shaft, now on its way to 1,600 ft., where intensive lateral exploration of the property is planned. The shaft is now down about 1,140 ft.

CROWN RESERVE OFFERING

Crown Reserve is to soon offer a block of stock to shareholders at 60 cents on a pro-rata basis.

EXPLOSION FORCES CLOSING OF MINE

Forty-two Year Old Fire May Have Caused Trouble on Besco Property

From Our Own Correspondent.

SYDNEY. — The comparatively minor explosion at the Allan shaft, which cost the lives of four miners, a few weeks ago, may result in the loss of that fine property which cost the Acadia Coal Company (now Besco) over a million dollars to put down and which taps a seam, 42 feet thick, the largest known in this country. The fire which followed the explosion could not be extinguished and the shaft has been sealed to cut off the air and smother it out, but without marked success, so far as known. This is the identical circumstance which followed the explosion in the old Foord, half a mile away on the same seam, in 1882, and old miners believe the Foord fire is still burning and had something to do with the present outbreak. Some officials of the company are beginning to wish that the Allan shaft had been sunk on the opposite side of the East River, thus putting a water barrier between them and the troublesome old Foord workings.

Developing Group of Iron Claims on Algoma Ry.

John A. McPhail, of the Soo, who is associated with important Chicago power interests in their Canadian activities in power and mining, has been instructed to proceed with the development of the group of iron claims at Mile 68, on the Algoma Central Railway. They will provide the funds to thoroughly prove up the property. This decision was taken as a result of the preliminary work done this year by a small force of men.

As a result a larger force will proceed to the claims at once, and stripping preliminary to diamond drilling will be done. The ore on this property is exceptionally good, engineers report.

DIAMOND DRILL PAUL CLAIMS

It is understood that Dr. McIntosh Bell, acting for the Keeley interests, has taken an option on the Paul claims north of Lorrain and is going to diamond drill them. These claims were optioned by McKinley-Darrah and some work done on them. Surface assays showed 100 ounce silver.

CANE MINES CLOSES

Cane Silver Mines has closed down. Failure to raise adequate capital is given as the cause.

World Production of Silver—Six Months

(All Figures in Ounces)

	1924	1923	1922
Mexico	42,600,000	43,000,000	39,000 000
U S A.	32,000,000	36,000,000	28,500,000
Canada	10,800,000	10,500,000	9,100,000
Peru	8,500,000	7,000,000	6,500,000
Other S. A.	5,00,000	4,500,000	4,500,000
Americas	98,900,000	101,000,000	87,600,000
Europe	7,000,000	5,500,000	5,200,000
Asia	6,000,000	5,000,000	4,200,000
Aust'asia	5,000,000	6,000,000	5,300,000
Africa	750,000	750,000	650,000
World	117,650,000	118,250,000	102,950,000
(Estimated on 6 mos. basis)			
Exports— to China and India	110,000,000	81,000,000	65,000,000
Local product Industrial (new)—	29,500,000	25,500,000	30,000,000
Coinage (New)—	74,000,000	85,000,000	93,000,000

SILVER AND OTHER METALS

July	14	15	16	17
Silver				
London (D)	34 9-16	34⅝	34⅝	34⅝
New York	67	67½	67¼	67¼
Copper	12⅝	12⅝	12⅝	12⅝
Lead	7.00	7.00	7.00	7.00
Zinc	6.80	6.85	6.85	6.85

Mining Stock Quotations

Week Ending July 15.

	High	Low	Close July 15	Close July 8
Apex	3¼	2½	3	2½
Algonquin	1½	1½	1½	1⅝
Argonaut	41	36	39	39
Atlas	4⅞	4⅛	4⅛	4⅜
Baldwin	3	2½	2⅝	2½
Beatty	3⅞	3⅝	3½	3½
Beaver	15	13½	14¾	14½
Bidgood	7⅝	6⅞	6⅞	7⅝
Buckingham	3	3	3	3½
Can. Lorrain	56½	55	56½	56
Capital	32¾	31½	32	32
Castle Tret.	67	65½	67	66
Clifton Con.	14¾	14⅝	14¾	14½
Coniagas	1.50	1.45	1.45	1.55
Cons. Smelters	39⅝	38¼	39	39
Cons. W. Dome	20½	16⅜	20¼	18
Col. Kirkland	3¼	3	3	3
Cr. Reserve	55	49½	55	51
Dome Mines	16.50	16.25	16.40	16.25
Everett	3	2⅛	3	2¾
Goldale	22	20	22	20½
Hattie	5⅞	4⅞	5⅝	5¾
Hollinger	14.25	13.20	14.15	13.20
Hunton	9	8½	9	9
Inspiration	10¼	10	10	10
Indian	14	12½	12½	12
Keora	11½	9	11	10
Keeley	2.22	2.18	2.20	2.20
Kirk. Lake	21	16¾	19	16¼
Lakeside	19½	16	16	19
Lake Shore	3.77	3.70	3.76	3.75
Lorrain, T. L.	1.37	1.35	1.35	1.37
Lorrain	21½	18	20¾	20¼
McIntyre	16.25	16.10	16.00	16.20
McKinley	10½	9⅞	10½	10
Mining Corp.	2.50	2.37	2.43	2.42
Moneta	17	17	17	17
Montreal, Ont.	7¼	6	7	6¾
Newray	22½	21	22	21
Nipissing	6.15	6.00	6.00	6.05
Night Hawk	45	40	45	41
Ophir	2½	2	2½	2¼
Preston, E. D.	11⅝	11	11⅝	11⅞
Pete Lake	8½	7⅞	8	8¼
Rouyn	20½	19½	20½	23½
Teck Hughes	1.15	1.09	1.13	1.10
Thomp. Krist	2⅛	2	2⅛	2¼
Timiskaming	18½	18½	18½	18
Tough Oakes	56½	53	54½	57
Trethewey	13	11	12	11¼
Vipond Cons	1.00	98	1.00	1.00
Wasapika	2	2	2	2¼
West Tree	4⅜	4	4	4¼
Wettlaufer	25	22½	22½	24
Wright Har.	3.50	3.30	3.50	3.31
New York Prices				
Int. Nickel com.	17½	16⅝	17⅛	17¼
Int. Nickel pref.	89	85	89	84¾
Oil Companies				
B. A. Oil	33	32½	32½	32½
Imperial	100	99½	99¾	102
Inter. Pet.	17½	17½	17½	17⅞
Mutual	9⅞	9¾	9¾	10⅛

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This property, consisting of four well mineralized claims, 160 acres, situate in Morrissette Township, Kirkland Lake District, upon which two years' assessment work has been done, resulting in the discovery of two main veins, 150 and 650 feet in length, by from two to ten feet in width, showing gold in every assay, is for sale.
Also the control of the Company, 220,000 shares of stock in the Treasury. Capitalization half a million. Everything in connection with the Company in perfect order. No debts outstanding. Communicate with the undersigned, the Secretary,
W. F. McPHIE,
Box 423, North Bay, Ont.

SEVERE DROUGHT TAKES HEAVY TOLL OF WESTERN GRAIN

(Continued from page 1)

much better appearance than in any part of the west. Although the acreage in all grains is somewhat smaller than last year, the condition of the grain is better for the most part than at this time last year, and a very fair yield is expected. Almost all grains have improved at least 10 per cent. since the first of May. Fall wheat is looking very promising. Haying is making satisfactory progress; the clover crop is fair while alfalfa is unusually satisfactory in most sections. The strawberry crop has been abundant, but prices have been lower than for years. In general, the agricultural outlook throughout Ontario is very favorable.

What has been said about conditions in Ontario applies very largely to the Province of Quebec. Not much change has taken place in the acreage sown except in the case of oats where an increase took place. An improvement has taken place in the condition of the crops during the last month in the case of oats, barley, rye, peas, etc. Hay and clover is in an excellent crop in most sections of the province. The season is still about two weeks late.

Crop conditions throughout the Maritime Provinces have improved very materially during the past thirty days, and are now in a reasonably satisfactory condition. The spring wheat especially has pulled up under favorable weather and a very fair yield is expected. A slight decrease has taken place in the wheat acreage while a larger acreage of oats has been sown. The root crops appear to be in quite satisfactory condition. The present outlook indicates an average or slightly better than average potato crop in New Brunswick. The acreage has been increased by 4 per cent. and the present condition of the crop is much better than at this time last year.

South Lorrain Claims For Sale
I offer for sale mining claims Nos. 20488, 20489, 20490, 20491, 20492 situate in South Lorrain, adjoining the Coralorrain property, and marked on map as "Newfoundland Syndicate."
Assessment work completed and recorded to date. A fine property. Price reasonable and time given for payment.
Write to the undersigned,
W. F. McPHIE,
Box 423,
North Bay, Ont.

Rich Silver Samples Brought to Lake Head

FORT WILLIAM.—A silver discovery of importance is said to have been made about 100 miles from Fort William to the northwest. This would bring it north of Bays Plat, close to which station on the Canadian Pacific Railway, silver was discovered many years ago. The curious part of the discovery is that it seems to be a re-discovery, as old buildings and supplies, supposed to be fifty years old, were the first indications found of a mining claim, the silver being finally located in the side of a high hill and being six feet in width. The discoverers are not making public all details yet, but that they have made a discovery of rich silver ore cannot be doubted, as the samples they brought in are heavily mineralized with gentite as rich as the best that has been taken from the older workings at Silver Islet, and the old mines at Silver Mountain.

SELLING RETAIL DEPARTMENT

ST. JOHN.—An important business change will take plpace on August 1, when the retail section of the firm of Emerson & Fisher, Ltd., Germain Street, St. John, N. B., will be taken over by W. E. Emerson, hardware merchant and plumber, of West St. John, N. B.

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Exchange

Recent changes in the financial structure of Germany are somewhat confusing in view of the fact that two new institutions have been added, the Rentenbank and the Gold Discount Bank, and yet the Reichsbank is still in very much its former position.

Dr. Schacht's Gold Discount Bank was opened for the purpose of discounting bills in sterling or dollars for the purpose of financing exports and imports. The Reichsbank retains a majority control of the stock while the German banks hold the balance. The accounts of the institution are kept in sterling.

The Rentenbank is a privately-owned institution, the stock being widely distributed among property owners and industrial leaders. The administration, however, comprises a number of men holding prominent semi-official positions in Berlin. The formation of the Rentenbank made provision for the issue of currency, and a loan of 200,000,000 renten marks was extended by the government to retire existing treasury bills, no more of which are to be issued. The assets of the Reichsbank were thus freed to fulfil their proper function of serving trade.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
July 10 ...	13-16	3-4	3	2 13-16
July 11 ...	7-8	13-16	2 13-16	2 9-16
July 12 ...	13-16	21-32	2 19-32	2 9-16
July 14 ...	21-32	5-8	2 21-32	2 9-16
July 15 ...	11-16	5-8	2 11-16	2 5-8
July 16 ...	25-32	21-32	2 13-16	2 11-16

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
July 10 ...	4.34 9-16	5.10½	4.26¼
July 11 ...	4.36⅜	5.10½	4.28
July 12 ...	4.37	5.17	4.32¼
July 14 ...	4.38¼	5.22	4.33¾
July 15 ...	4.35⅞	5.15½	4.30¼
July 16 ...	4.37	5.16½	4.31¼

Current Events in the Banking World

GUARANTEE OF DEPOSITS GOT LITTLE SUPPORT

Has Been Found a Dismal Failure in United States

From Our Own Correspondent.

OTTAWA.—The banking and commerce committee of the House of Commons apparently silenced, for some time to come, the demand for the guarantee of bank deposits, although the suggestion was put forward that the practicability of establishing an additional class of savings account, to be insured up to $3,000 be considered. It is a subject on which much time was spent. To secure expert opinion on this subject was difficult, for in this country there was nothing in the form of experience to act as a guide. G. D. Finlayson, superintendent of insurance, when asked to suggest a rate for such a guarantee, said there was no experience on which such a rate could be based.

The best opinion on this phase of the subject was secured from Hon. John Skelton Williams, who has gone very thoroughly into the subject and has worked it out from an actuarial standpoint. He says that $1,000 of deposits can be carried for 25 cents. When controller of currency he recommended the guarantee of an insurance plan of deposits of $5,000 and less in national banks, but action was refused.

The conclusion of those on the committee who have given much study to the question is that bank inspection will do away very largely with the demand for guaranty of deposits. It must also be remembered that as the depositor would have to pay the premium in this country, it is questionable whether a large enough proportion of them would do so as to make it worth while.

A paper on the guaranty of deposits, submitted by W. N. Mitchell as a term contribution to the political science of the University of Chicago was thought so highly of that excerpts from it were made and incorporated in the proceedings of the committee. It is right up to date and the conclusions arrived at are as follows:

"The conclusions which now must seem inevitable are that this scheme which had such a short time ago apparently earned an honorable place in state banking practice, is a dismal failure. Thus there at once arises the question as to what are the causes of this sudden reversal of aspect. Must it be concluded that the proposition is unsound in principle? That it is unnecessary and must inevitably lead to bad banking and therefore should be abandoned? Or must we look for the cause of failure in the shortcomings of the laws themselves?

"Undoubtedly there are many interested observers, long opposed to the idea on principle, who are glad not to assume an 'I told you so' attitude and dismiss the case without further ado. On the other hand one cannot examine the provisions of the various laws and follow their course as administrative policy was being developed without being impressed by the fact that in times of stress the assurance of protection held out was a very unstable one, and one might well wish that it might have been possible to frame the legislation in such manner that the proposal would have had a fairer trial. The tampering of politicians has not been an unknown danger, and came very near wrecking the plan in the course of its history, but this was not directly responsible for the failure in the end. The overwhelming effect of an unprecedented epidemic of bank failures broke the system, which is not strange, of course, for if there is a weakness it must show itself in a time of particular stress. The point is that the laws did not provide against such a catastrophe and ignored the possibility of what in fire insurance is called 'conflagration hazard.' Neither would the result probably have been different if the supreme test had been postponed until time had been given to more firmly establish the plans.

"The oldest and presumably the best established systems were among the first to collapse. The fact that none of the laws provided for an accumulating reserve fund on a scientifically computed 'mortality' table but rather relied upon hand to mouth assessments, made the age limit of little importance in determining the relative strength of the plan. It is true that more stringent supervision which invariably developed with experience with the plan in the several states, tended to raise the standard of the individual risk. There is some evidence tending to show that such might have been the case, and even more rigid observation of banks and bankers should have been the rule. The mortality among national banks with much stricter supervision, was very much less though this is to be partially explained on the grounds that the national banks are, by legal requirements, comparatively large institutions and it is to be expected that the mortality would be higher among the smaller banks. Inadequate inspection must no doubt assume a part of the blame, but the real cause, it would seem, lies in the fact that every one of the laws in some way or another violate the principle of scientific insurance and must have been doomed to failure in a time of supreme test.

Lessons From the Failure

"The causes as just stated suggest the lessons which may be drawn from the experiment. The insurance contemplated by the laws has been based on much the same principle as that in the country mutual fire insurance companies. These make assessments against the subscribing farmer in proportion to the valuation of his insured property, in sufficient amount to cover actual losses of members of the association and no reserve fund is built up. This works very well in a farm community where no conflagration risk exists. But if the risks of such a company were all situated in a single village, where such risks are at present, the probability would be that the system would be wrecked sooner or later. In banking, especially when considered in a local sense, as in a state having a high degree of economic unity, the "conflagration hazard" cannot be eliminated. Bank failures occur, for the most part, in times of depression, and in such times failure is likely to become a virtual epidemic. For such times, mutual assessment insurance with no provision for the accumulation of reserves, provides no protection. The results of the last few years serve to reiterate the minimum requirements of scientific insurance as defined earlier in this report. With any less than these conditions, the plan has small hope for permanent success in times of stress.

Future of Deposit Guaranty

"One can but conjecture what the probable future of this interesting experience which seemingly has failed so dismally, will be. That a practical plan of guaranty of deposits could be worked out for the country as a whole, there is little reason to doubt. That there is no probability of such action bringing all banks under a guaranty plan throughout the nation is equally certain. Nothing short of an upheaval of concerted popular approval could bring about the unity of action necessary under our peculiar dual system of state and national banking to secure such a result. It is equally sure that none of the plans developed in the various states is adequate to meet such a need if it exists. Of course such crystallization of public opinion throughout the nation upon some vital question has upon occasion been secured. Undoubtedly such will occur again, and if the benefits to be secured by the guaranty of bank deposits, in the long run exceed the cost and the need ever seemed impressive enough, conceivably this might some time be made such an issue. There is good reason for believing, however, that the need for such a plan will impress itself less upon the public consciousness as banking standards are raised through increasing public inspection and control. In this direction, it is believed, lies the best means of protecting the public interest and with such control the demand for deposit guaranty, born of frontier conditions, will likely disappear."

Clarkson's Opinion as to Value of Assets of the Home Bank

OTTAWA.—The following is the report made by Liquidator G. T. Clarkson of the Home Bank to Chairman Vien of the House of Commons banking and commerce committee with respect to: (1) total amount of deposits of the Home Bank; (2) the proportion of deposits paid to depositors; (3) prospective further payments to depositors; (4) collections on account of double liability, and (5) claims against directors of the Home Bank of Canada.

1. **Re: Total amount of deposits:** According to statement presented at the time of suspension, the total claims of depositors and those who held drafts and cheques on the Home Bank of Canada, and the banking correspondents of such banks amounted to $15,531,552.

Since such statement was prepared, a considerable amount of deposits has been liquidated by set-offs and as counter claims and the approximate claims (other than in respect of circulation and amounts due to Dominion and Provincial Governments) are as follows:

Due to depositors	$14,767,511
Approximate amounts due to Canadian banks	175,000
Claims of foreign banks ...	208,932
Drafts issued out-standing, Canadian	109,681
Drafts issued out-standing, American	22,090
Rental and damages claims	15,000
Reserve for contingencies..	250,000
Total	$15,548,214

In addition to these claims, there is due to the Province of Ontario, approximately $1,250,000; there is due for outstanding circulation, approximately $67,896; and to the Dominion Government $49,000, which may be offset by taxes to be refunded.

2. **Proportion of deposits paid to depositors:** At the time of payment of the 25 per cent. dividend which was declared about December 22, 1923, the sum of $3,453,590 was deposited with Canadian banks to meet 25 per cent. of the claims of depositors.

Of such amount dividends have been drawn for all except $300,000, which remains uncalled for, or the subject of dispute.

3. **Prospective further payments to depositors:** In answer to your inquiry relative to prospective further payments to be made to depositors, I desire to state that it is impossible at this juncture to determine what amount will be realized from a number of important assets, and this, in addition to the fact that litigation is pending whereunder depositors seek to recover full payment of deposits made by them shortly preceding the suspension, and a large number of shareholders on their part are also seeking to avoid payment of double liability on the ground that shares issued to them were not legally and properly issued, makes it completely impossible for me at this time to give you any definite information as to what the estate of the bank will return to depositors.

A dividend of 25 per cent. has already been paid to creditors, and so far as I can see, if the estate of the bank should meet with reasonable success upon realization of its assets, and avoid having to repay in full those deposits which were made shortly prior to its failure, there seems to be a probability that the bank will return creditors upwards of 10 per cent. more, or a total of 35 per cent. upon their claims.

If the depositors seeking return of moneys deposited in the bank shortly prior to the failure should be successful in their litigation, the probability is that the dividend would not exceed 30 per cent. If shareholders shall in addition avoid double liability, there is no certainty that any further dividend beyond that already paid will accrue to creditors.

In making these estimates, which cannot possibly be definite, I desire to point out that the estate still owes about $68,000 on account of circulation, approximately $1,300,000 to Dominion and Provincial Governments, and $1,200,000 in respect of moneys borrowed from Canadian banks to permit the payment of the dividend of 25 per cent. already disbursed to creditors.

4. **Collections on account of double liability:** Collections to date amount to $329,705, while the sum of $1,722,864 remains unpaid in respect of the principal of capital stock unpaid, premiums thereon and double liability.

As such amount of $1,722,864 upwards of $500,000 is owed by persons who are known to be without financial responsibility while a large portion of the balance is owing by persons whose responsibility is questionable.

Under such circumstances, it is my opinion that the bank cannot rely upon a recovery of more than $300,000 to $400,000 in respect of the double liability still unpaid.

As before mentioned, a large number of stockholders are contesting liability on the ground that the shares held by them were not legally issued, and if they shall succeed, the chances are that the bank may not recover more than $300,000 out of its claims. In other words it will not get much more than the collection made to date.

5. **Re: Claims against directors:** The estate has issued a writ against directors for the recovery of $5,000,000 in respect of misfeasance. The right of the bank to recover from directors is the subject of dispute and if the bank shall succeed, its recovery will be limited to the value of the assets owned by directors. In my opinion this recovery will not exceed more than $250,000 to $300,000.

Nine Branches Opened; Fifteen Are Closed

A net loss of six branches for the month of June is reported by the Canadian chartered banks. During the month nine branches were opened and fifteen closed. The Hochelaga was the most active, opening five branches in Quebec. Following is a list of the branches opened and closed during the month:

Opened

Hochelaga.—Ste. Scholastique, Que.; Lyster, Que.; Bic, Que.; St. Henri de Levis, Que.; Guybourg, Que. (sub-agency).

Montreal.—Notre Dame and McCord Sts., Montreal.

Provincial.—Ste. Anne de la Pocatiere, Que.; Baie St. Paul, Que.; Sorel et Nicolet.

Closed

Commerce.—Dashwood, Ont.; Paincourt, Ont.; Chambly Canton, Que. (sub-agency); Dartmouth, N.S.; Hastings and Cambie, Vancouver.

Hochelaga.—Elie, Man.

Imperial.—Avon, Ont. (sub. to Ingersoll); Hawkesbury, Ont.; Chute A'Blondeau, Ont. (sub. to Hawkesbury).

Montreal.—Chinese Branch, Victoria.

Nova Scotia.—Virden, Man.

Royal.—Port Morien, N.S.; Matanzas, Calzada de Tirry, Cuba; Spanish Town, Jamaica.

Home Bank Directors to Be Tried Without Jury

The judgment of Justice Middleton of the Supreme Court of Ontario, granting a speedy trial to the accused directors of the Home Bank, has been sustained by the Privy Council. This means that the defendants will now come up in the county judge's criminal court and will be tried without a jury, on the charges laid under the bank act. The attorney-general's effort to have the conspiracy charge brought before a jury is yet to be ruled upon.

Staff Gossip

Mervin Williams, of the Bank of Commerce staff at Mitchell, has been transferred to the branch of that bank at Southampton.—The Beacon Herald, Stratford.

* * *

W. H. Bell has been transferred from the staff of the Bank of Montreal at Leamington to the branch of the same bank here.—The Sun-Times, Owen Sound.

* * *

R. J. Beaton, the popular manager of the Bank of Montreal, who has been stationed at Bothwell for the past four years, has been transferred to Toronto.

R. J. Smith, of Quyon, Que., has been appointed manager of the local Bank of Montreal in place of Mr. Beaton.—The Star, Windsor.

* * *

That England has gone sport crazy, is the opinion of Walter Watts, manager of the local branch of the Dominion Bank, upon his return from a visit to relatives in Bristol, England. Women, he declared, now participate in almost every form of sport. Speaking of business conditions, Mr. Watts stated there appears to be a feeling among businessmen that there should be a dictator of the Kitchener type to restrict the work of the trade unions.—The Advertiser, London.

* * *

After fifty-one years' connection with the Caisse D'Economie, Alphonse Gourdeau, assistant general manager of that financial institution, has retired on a pension, accepting a well-deserved rest after long years devoted to the service of the bank.

Mr. Gourdeau entered the Caisse D'Economie in July, 1873, as a clerk and since then he was successively accountant, manager, and finally assistant general manager, which last position he held with great success, the Caisse D'Economie being known now as one of the most solid saving banks in America.—The Telegraph, Quebec.

* * *

E. V. Illsey, manager of the Standard bank, of this city, addressed the Lions' club at the weekly meeting of that organization recently. On the subject of banking, Mr. Illsey conveyed considerable of interest to an enthusiastic audience. His plan, he said, was to try and dispel any antagonistic attitude towards the banking business, which, as a rule, discouraged all ordinary attempts at publicity, and which, as a result, was often made a target for communistic propaganda. A clearer understanding by the layman of the work and principles of the banking organizations, would help greatly in establishing a more substantial footing for banks, business men and others interested in this branch of the financial world.—The Spectator, Hamilton.

Weekly Bank Clearings

(In comparison with same week last year).

Eastern Cities

	July 12, 1923	July 10, 1924
Halifax	$ 4,070,517	$ 3,454,769
St. John	2,837,126	3,019,309
Moncton	1,109,070	952,798
Sherbrooke	994,934	882,367
Quebec	6,769,276	6,391,261
Montreal	114,807,940	105,230,337
Ottawa	7,214,831	6,748,402
Kingston	770,146	1,106,047
Peterborough ..	885,251	956,779
Toronto	99,286,345	106,196,434
Hamilton	7,351,067	6,176,825
Brantford	1,273,202	1,395,870
London	3,283,688	3,427,490
Kitchener	1,209,192	1,244,319
Windsor	4,564,409	3,548,884
Total, East ...	$256,826,994	$250,731,891

Western Cities

	July 12, 1923	July 10, 1924
Fort William ..	$ 839,116	$ 933,104
Winnipeg	38,476,340	55,968,009
Brandon	687,617	647,846
Regina	3,357,915	....
Saskatoon	1,545,137	1,650,654
Moose Jaw	1,195,445	1,217,176
Prince Albert ..	316,073	313,404
Lethbridge	812,477	512,188
Calgary	4,600,104	5,602,505
Edmonton	4,476,578	4,401,882
Medicine Hat ..	209,453	327,671
N. Westminster	620,933	705,021
Vancouver	15,610,722	15,863,210
Victoria	2,276,793	2,558,118
Total, West ..	$ 75,024,703	$ 90,700,783

NEW ISSUE

$500,000
The Laurentian Hydro Electric
LIMITED
First and Refunding Mortgage 6½% Ten-Year Sinking Fund Gold Bonds
Series "A"

Dated June 1st, 1924. Due June 1st, 1934.

Principal and semi-annual interest payable at La Banque d'Hochelaga at Montreal or The National Park Bank of New York. Interest payable June 1st and December 1st. Coupon bonds in denominations of $1,000, $500 and $100, with the privilege of registration as to principal only. Redeemable at the Company's option at 102½ and accrued interest, on any interest date after previous notice of thirty days. Annual Cumulative Sinking Fund of 5%, commencing June, 1925.

Legal Opinion: All legal details in connection with this issue have been approved by Messrs. Elliott and David, Montreal.

Trustee: General Trust of Canada.

CAPITALIZATION
(when present financing is completed)

	Authorized	Issued
Ordinary shares (par value $100)	$ 125,000	$ 125,000
Cumulative 8% preferred shares (fully paid)	125,000	125,000
6½% First and Refunding Mortgage Gold Sinking Fund Bonds (closed)	1,000,000	500,000

From the letter of Mr. J. H. Sherrard, President of the Company, we summarize as follows:—

THE COMPANY AND TERRITORY: The Laurentian Hydro Electric Ltd. was incorporated in 1923, under the laws of the Province of Quebec, for the purpose of developing and distributing hydro-electric power in the counties of Terrebonne, Argenteuil, Labelle and Montcalm.

PROPERTIES: The Company owns in fee simple and is now developing a water power situated near St. Adele on the "Bras Est" of the North River, with a capacity of 4000 h.p.

SECURITY: These bonds are secured, in the opinion of counsel, by a first mortgage on all the Company's real and immovable properties now owned and hereafter acquired. No further bonds can be issued except for extensions or additions to the present properties, and then for no more than 80% of the cost of such extensions or additions.

EARNINGS: The annual net revenue to be derived from the present first installation has been estimated by the Company's Engineers at $150,000, or over four times the interest charges on these bonds. This revenue should be obtained within the next 12 months.

DEVELOPMENT: The Company's first installation of 1865 h.p., which will operate under a head of 230 feet, will be completed and power distributed by July 1st, 1924.

The Company has under option and proposes to acquire two neighbouring power sites which would give the Company an ultimate development of 14,000 h.p.

It is unnecessary to state that hydro electric undertakings in the Province of Quebec have been continuously successful. It is estimated that the business of such enterprises doubles every five years.

The Provincial Government recognizing the need of hydro electric power in the Laurentian district, appropriated $300,000 at the last Session of Parliament, to dam the head-waters of the North River, which will assure a continuous and even flow of water at all seasons of the year.

ENGINEERS REPORTS: The Company's development has been favourably reported on by Mr. F. B. Brown, of Walter J. Francis & Co., Consulting Engineers, Montreal, and by Mr. Wm. Kennedy, Jr.

We offer these Bonds if, as and when issued and received by us.

Price 97.15 and accrued interest to yield 6.90%.

Write for Prospectus giving complete details.

BROWNE, URQUHART & COMPANY
180 St. James Street, Montreal

ERNEST SAVARD, LIMITED
90 St. James Street, Montreal

The statements contained in this circular are not guaranteed, but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.
3

THE FINANCIAL POST

Member Audit Bureau of Circulations
President—JOHN BAYNE MACLEAN.
Vice-President—HORACE T. HUNTER.
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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

TORONTO, JULY 18, 1924

OUR TRADE HANDICAP

ANNOUNCEMENT is made that the British government has abolished the corporation profits tax, which was introduced four years ago, and it is reported that the industrial markets have already benefited materially from the annulment. Similarly in the United States recent taxation reductions have relieved the burdens on industry.

Unfortunately Canadian legislation bearing on business and industry which must compete with Great Britain and the United States has increased rather than reduced taxation handicaps. Our legislators seem to be unaware of the true situation and of the requirements. Furthermore the leaders of organized business industry have failed to familiarize the public with the necessity of ridding business of unnecessary handicaps. Business baiting is a popular and profitable political game. As a consequence, we are laboring under heavy difficulties in competing with older and frequently more powerful trade rivals.

WHY INDUSTRY SUFFERS

BEFORE the Ontario Statutory Revision Commission sitting on the assessment act it will be shown that industrial and commercial dividends should be exempted from taxation because they are already covered in the business tax. As a matter of fact, when this dividend tax was imposed it was a breach of faith with the manufacturers who were assured that dividends would not be levied upon if they agreed to the assessment on business.

The province kept faith with the manufacturers until the farmers' government came into power, when advantage was taken of the unpopularity of the industrial interests, because of the activities of certain combines and the shortsighted policies of the controlling clique in the C. M. A., to increase the provincial revenues by a dividend levy. It was good politics.

When the matter was brought to the attention of Premier Drury he admitted the injustice and informed the representatives of the manufacturers that a special committee would be appointed to deal with the matter. The interests of the manufacturers were left in the hands of the general manager of the C. M. A. and a small committee of the Toronto members, who neglected to take action until too late and the business interests of the provinces have been bearing the burden of these unfair taxes ever since.

AGRICULTURE EXTENDS A HAND

THE recommendation that a round table conference be held in Toronto is not the least important of the suggestions contained in the report of the Agricultural Enquiry Committee of the Ontario Legislature. This tendency on the part of the agricultural industry in Canada to cast off its age-long isolation is an encouraging sign of the times. The Ontario proposal is not new inasmuch as similar conferences have already been held in Manitoba, Saskatchewan and Alberta. In the latter province particularly numerous conferences of finance, commerce, industry and transportation have been held and only a month or two ago a similar conference was held in Regina, and prior to that there was a conference in Winnipeg.

In each case the initiative has come from the agricultural interests, but the other industries were not slow in accepting the invitation. About a month ago George Edwards, president of the Saskatchewan Grain Growers' Association was passing through Toronto in company with John W. Ward, secretary of the Canadian Council of Agriculture and Donald McKenzie of the United Farmers of Manitoba. In Toronto they met two of the city's outstanding industrialists and an informal conference took place at which Mr. Edwards expressed his intention of calling a round table conference in Saskatchewan. Mr. McKenzie told of a similar meeting in Winnipeg, and the consensus of opinion was that such conferences were very necessary at the present time in order to restore confidence as between town and country as between the various economic units of the nation.

The success of such a conference in Ontario will depend entirely on the conciliatory attitude of all concerned. At the Winnipeg conference there was a unanimous belief that everybody must co-operate in putting things on a sounder basis, but when it came to details nobody was willing to take the first step in offering concessions. Each thought his own particular sphere of activity was suffering severely and that the others should make the concessions. The net result is said to have been practically nil. In Alberta where the situation was far more serious, the frequent conferences have had definite results. The question of outstanding indebtedness was the principal thorn in the Alberta foot that prevented progress and a debt adjustment commissioner was appointed. The Alberta farmer at the present time is making greater headway as a result of the co-operation of the provincial government officials, the banks, the mortgage companies, the machinery firms, and representatives of the farmers.

The legislature made a wise move in appointing the special agricultural committee, the members of that committee have made a common-sense report. Now that the call has come for finance, commerce and industry to take a hand in the matter it behooves the leaders in those fields to tackle the problem seriously and sincerely, and re-establish Ontario's oldest and soundest industry, the practice of agriculture.

A SANE VOICE IN THE CLAMOR

ONE of the most eminent of American journalists, Charles A. Dana, has described as an outstanding characteristic of a good newspaper, "the courage to defy a wrong majority." We feel then, that Dana would have joined with us in congratulating the Goderich Signal upon its stand on the demand of the Home Bank depositors in Ottawa for compensation from the public treasury. The Signal says:

> It is reported from Ottawa that the standing committee of the House of Commons will recommend that the depositors of the Home Bank have a moral claim for compensation by the country on account of their losses. This means—if it means anything—that a proposal is to be made to take money out of the public treasury to pay these claims, in part if not in whole. If this course should actually be adopted, the taxpayers of the country would have a moral, if not a legal, claim against every member of the House who should vote for such a proposition. The taxpayer should not be called upon to pay the losses of other people who chose to do business with a bank that turned out to be unsound, any more than he should be called upon to pay other people's losses in manufacturing, or retailing, or any other business. Moreover, the precedent, if it should be established, would be disastrous, and would lead to all kinds of claims for Government compensation in the future.

What the majority of people in Canada think upon this point is not known, but there can be no doubting the strength of mass opinion which has been organized to bring influence on Ottawa. The Goderich Signal is one of the few newspapers in the country which sees the real issue and expresses itself with cool, sound judgment without listening to the organized clamor.

With every sympathy for those who have suffered loss and without defence for those responsible or for weakness in the banking system which permitted the bank to carry on long after it was unsafe, we still believe that for parliament to establish the precedent of taking public funds to compensate for losses in private business would be an extremely dangerous one, the consequences of which might be very far-reaching.

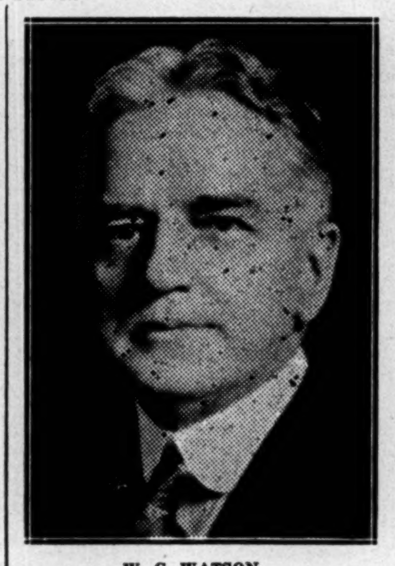
EDITORIAL NOTES

TWENTY-THREE out of every one hundred packets of vegetable seeds examined in the seed laboratory at New York state agricultural station were found to be absolutely worthless for planting purposes. Seeds of low quality have been sold in Canada. We are informed that one of the large seed houses recently secured a job lot of old seeds and marketed them in its standard packages without bothering about the quality. This is very damaging to the whole seed industry and to the reliable houses which have for years been building up a reputation for reliability founded on public confidence. It might be well for the latter concerns to form an association for their own protection and set standards which would be guaranteed by an association trade mark. This has been successfully done in marketing other products where the maintenance of a standard of quality has been desired.

From Little Red Schoolhouse To Head of Big Trust Company

Appointment of W. G. Watson Proves That Opportunity Waits on the Man Who Will do His Job and a Little More—Started as Accountant—Never Takes His Worries Home

By J. W. TYSON.



W. G. WATSON.

The fact that when W. G. Watson, the newly appointed general manager of the Toronto General Trusts Corporation, took a position as accountant with the corporation twenty-seven years ago, he did so at a salary smaller than he could have had in another position open at the time—and the difference in immediate income was a worth-while consideration to him—may be taken as an indication of the foresight and character which have been responsible for his steady advancement in the company's service until he now takes the office from which death has removed A. D. Langmuir. Mr. Watson himself sees nothing remarkable in his own success. He believes that there are opportunities to make good for every boy or young man who starts his career from the railway station in a big city with his possessions in his travelling grip, a few dollars in his pocket, and a willingness to work hard, to render service, and to prepare himself for the opportunities which may occur. "It is a remarkable thing," he has observed, "that in practically every big organization there are so few men who are really ready to be advanced to the important positions when those positions become vacant or are created."

In the Little Red Schoolhouse

W. G. Watson, like many other men who have made their success in the city, was born on the farm. No advantages were his. He got his early education in the little red school house which stood on one of the concession roads of Peel. Then he went to high school in Oakville. This was a five-mile ride on horseback in winter, and a five-mile walk at other seasons when there was need for the services of Dobbin on the farm. And, like the average farmer's son, his education was not allowed to interfere too completely with his chores about the farm.

The opportunity for a university education was not his. In '88 he started work, and for the next nine years was engaged in mercantile pursuits in Toronto and Chicago. Then came the oportunity to enter the Toronto General Trusts Corporation, which was seized, despite an opening to a more lucrative position elsewhere. Why? Because he had thought for a long time that he would like a position in that particular office. It could hardly be said that he foresaw the great expansion which was to take place, but it did appeal to him that there was opportunity for growth and for a young fellow to get on more rapidly there than with most larger companies or corporations. He was looking ahead, and developments soon justified his judgment. It was not long before he held a more responsible position with a better salary than could have been hoped for with the other company, even had he advanced so far as opportunities permitted.

A Good Accountant, Plus.

Now all accountants in trust companies do not become general managers. Nor do all even become chief accountants. So poung Watson must have been an accountant, plus. He was. He was not satisfied to make a rut for himself and stay in it. He worked on the principle that to get on he must try to do something more than the routine tasks and show that he was able to assume more responsibility. He started to learn about the business. On one occasion, when there was something which went through in a routine and he did not understand it, he worked on the books until ten o'clock that night tracing the entry through the various channels so as to understand the how, why, and wherefore of it.

It was by studying the company's books, its affairs, and its whole business that he gained an understanding of its many complex financial operations, and in 1899 he was ready to take the chief accountancy. This gave an opportunity for a still wider acquaintance with the company's affairs. The absorption of the Trust Company of Ontario involved a great deal of work, which increased the grasp of the young accountant on matters of detail in the various field of trust company activities. It was good experience.

Looking for Bigger Things

The desire and determination to be something more than an accountant which marked his work could not fail to attract the attention of such a capable executive as the late J. W. Langmuir. Suggestions were encouraged, and changes were made on the accountant's recommendation—and it might be added on his responsibility also. Thus, with the rapid growth of the corporation there were many steps of reorganization to meet conditions, and throughout these Mr. Watson and Mr. Langmuir were drawn closer together in the company's affairs. And throughout there was always the idea of building, of growing, of guarding against ruts, and of preventing stagnation in any department. A growing institution is kept healthy by further growth—and that is the history of the Toronto General Trusts Corporation.

When A. D. Langmuir succeeded to the general managership after the death of his father there was already a close working association between the new head of the company and the lieutenant who has now taken command. This association led to very effective administration during the succeeding years. Mr. Watson thus acquired a thorough understanding of the company's policies and knowledge of every department of trust service, especially the administration of estates and trusts, and the investment of funds in which he has become a recognized authority. Through attendance for many years at the weekly meetings of the directorate he extended his grasp of the business in all its ramifications. He was made secretary of the corporation in 1906, and occupied this position until 1915, when he became assistant general manager. He has also been made a director of the Mutual Life Assurance Company of Canada.

Leave Worries at Office

"Don't take your work or your worries home with you," is one of the rules which Mr. Watson has generally followed. He believes that the man who cannot shake off his business cares will not prove equal to the bigger tasks, because he will be borne down by worry, and will not be capable physically and mentally of shouldering larger responsibilities. He has worked long hours in the office—and still does when occasion demands—in order to complete the tasks in hand and go home with a clear mind.

The business philosophy of the Toronto General Trust's new manager also includes the principle that there should be a measure of romance in a man's business if he is to make a success of it. And romance there is to be found in the trust business. It is not all a matter of cut-and-dried finance, this handling of estates. Taking care of people's affairs when they are not capable of looking after them for themselves—and this is often the case—involves a great deal of very human service. It is such service that makes for the success of a trust company. Getting a client a ton of coal when the furnace is out or advising as to which school the eldest child should attend may not appear to the average reader as very important business for a big trust company with many millions of assets, but these things are very important to the individuals concerned, and it is on the basis of service to the individual that the success of a big corporation is built—if it is well built.

Developing the Youth

Mr. Watson does not believe, and never has believed in all work and no play. His experience has been that it is neither necessary nor advisable to crowd out healthful recreation, and he believes that, by properly planning the work to be done, opportunity for play can always be found. He goes in for bowling and golf himself, but can hardly claim to be a real fan at either game. One reason is that he probably likes reading too much to spend all his leisure on the green or links.

He takes great satisfaction out of his library, and holds that any man who is aiming for a position of responsibility in rendering service to the public should start collecting books as soon as his position warrants it. By this he does not mean a collection of works relating to his particular business alone, but to works on general subjects and topics which will broaden the viewpoint and help the business man to appreciate and understand the larger questions with which his position brings him in contact.

The new head of the Toronto General takes a live practical interest in church work. The church occupies such an important place in the community that he believes that those who have the public interest in mind must recognize its force in a social and economic way. And in the work of the church he is particularly interested in the young people. He sees nothing more important in the upbuilding of Canada than that our boys and girls should be educated and directed to make the best of their lives for themselves and for Canada. He takes a large interest in Y. M. C. A. work, and is a past president of the Canadian Club of Toronto.

Does "Ginger Group" at Ottawa Really Represent Farmers?

Interesting Query is Raised as to Genesis and Exodus of Former Progressives—Radical Labor Said to be Behind Break of Disgruntled Agriculturists

(Special Correspondence.)

Editor's Note:—The following article on recent developments in the political arena at Ottawa are of interest as coming from a correspondent who has been a close observer of the development of one of the major groups in the House of Commons. They do not necessarily reflect the opinions of THE POST, but are published as showing an interesting phase of the present political situation. A second article will appear in a later issue.

OTTAWA.—The Servants in the House are much exercised about it, and well they might be. It is not to be expected that a red-headed baby can be left on any parliamentary doorstep and the servants of the people who sit in the House of Commons not be exercised about it. Moreover, the "Ginger Group" is a source of some irritation, for it howls lustily on the slightest provocation. Therefore, the family retainers busily indulge in a riot of conjecture and discuss sub rosa the possibility of locating the child's parents if for no other reason than to discover the infant's feeding bottle and make it shut up, or at least cry within reason.

The "Ginger Group" so-called is rather looked upon as the left-handed offspring of the Progressive party, but among the more serious-minded students of Canadian politics there is a feeling that its parentage lies in another direction. In the first place the "Ginger Group" comprises a collection of insurgents who have chafed under party discipline ever since they were elected in 1921. The fact that they have only recently crossed the Rubicon is not evidence that they have only arrived at the stream, for it is known that they have been paddling in its turgid waters since the first caucus of the Progressives in 1922, when J. S. Woodworth and William Irvine, Labor members of parliament, decided not to join the Progressive caucus, but to form an Independent Labor group. "Mr. Woodsworth is the leader of this group," announced Irvine from the floor of the House. "I—am the group."

Not a New Revolt

It is common knowledge in the Press Gallery that the present members of the Ginger Group have never really been in sympathy with the safe and sane leadership of Hon. T. A. Crearer, and his successor, Robert Forke. They were radical, and didn't care who knew it. They never subscribed to the established principle laid down in Britain many years ago, that a member of parliament primarily represented the nation and secondarily his own particular constituency. Nor did they subscribe to the political doctrine of the old partisan that the first duty of a politician is to the party. Their creed consisted of the simple phrase, "Me and my riding, first, last and all the time."

In this they differed definitely from the rest of the Progressive members. Early in his leadership Crerar told his followers: "we cannot hope to govern Canada by sectionalism. The country is far too big for that. Government in Canada can only be by compromise." This sound utterance did not coincide with certain class consciousness doctrines, but as the new members saw deeper into the practice of government they realized the truth of the words. It is generally understood that when the Crow's Nest Pass debate took place in 1922, a certain section of the Progressives were dead against any compromise. "The restoration of the agreement in toto or nothing." was the dictum. Fortunately the counsels of the wiser heads prevailed; a compromise was reached and definite concessions were immediately obtained. Had the radicals had their way the net results of the Crow's Nest debate would have been nil as far as the West is concerned. As it was the West received valuable concessions and the railways also profited by the increase in the volume of freight carried.

A Well Informed Member

Early in the existence of the Progressive group at Ottawa, William Irvine, ex-clergyman and professional Labor leader, got his ear to the keyhole of the causus room and nothing that went on in the Progressive caucus was hidden from Mr. Irvine. He openly boasted of his knowledge of Progressive plans, and expressed his intentions of disregarding any such information as confidential. The source of his knowledge was the clique of radicals now known as the Ginger Group, and Irvine's office was the scene of many an informal caucus where were planned insurgencies that later developed in the House. Irvine's room-mate was Joseph Shaw, also a member for Calgary, and a lawyer. Shaw soon made clear his independence to the Progressives. This was natural, however, for Shaw has always had the reputation of being an intense individualist; a very capable chap, but a man who would always walk alone. The insurgency of the Gingerites therefore had its appeal, for although he had never actively associated himself with Irvine's labor radicalism he had never dissociated himself from it.

Leagued with Irvine on the other hand was J. S. Woodsworth, also an ex-clergyman and professional Labor leader. Neither Woodsworth nor Irvine have ever been practical labor men, though Woodsworth for a time worked as a longshoreman in Vancouver. Both are theorists who want to work with kid gloves and starched collars. Woodsworth took a very active part in the Winnipeg strike, and since his election has been very busy contributing radical articles to Labor newspapers. Thus there is a very definite connection between the "Ginger Group" and the radical labor element.

Another factor in the situation is the activity of J. A. Stevenson, a free lance journalist of iconoclastic tendencies. On the creation of the Progressive party Stevenson cast himself for the role of Richelieu to Crerar's Louis XIII, but the tall Westerner had other ideas on the matter. Stevenson then became guide, philosopher and friend to the private members of the Progressive group. An Oxford university man and a lawyer, exceedingly well posted and of great capabilities, he was eagerly welcomed by men new to public life, and his advice was appreciated. As time went on, however, and Stevenson continued to exploit his own personal politics, a coolness developed and only the present Gingerites harked to the voice of the tempter. Stevenson's undoubted talents were obscured by his intense antipathy to Premier King. This antagonism found vent on all occasions, until in his journalistic career he is now left with the Farmers' Sun and the Winnipeg Tribune on his string.

Bereft of the confidence of Crerar, Forke and the Progressives, Stevenson began a flirtation in another direction, and it is common talk that Mr. Meighen derives much information and advice from hiim. It is quite probable that many details of Progressive strategy find their way to the Tory headquarters via this route. With the radical labor connection on the one hand, and the ultra-Conservative connection on the other, it its not surprising that the "Ginger Group" is "ag'in the gover'ment."

The "Ginger Group" therefore is not a thing of recent creation. It is not a new break in the Progressive movement. While the critics of the Progressive group rejoice to regard it as a sign of disintegration, yet those who know the workings of the movement see in it merely the crystalization of an insurgency which first began to appear when the leading Progressives decided that Crerar's "Government by compromise" was the only truly Canadian policy.

The Men Behind

The real direction of the group lies, not within itself, but is conducted through the power of suggestion by a radical and disgruntled trio outside the pale. Woodsworth, Irvine and Stevenson, are men of education and clever strategists. They have no real sympathy with the Progressive movement which is born of the soil and built up on the basic industry of the country. It is noteworthy that the Progressives who have made good in agriculture, who have attained the greatest measure of confidence among the farmers, stand fast by the parent group. A man who makes a success of his own business is best able to aid in running the nation's business. The roster of the so-called "Ginger Group" would only seem to bear this out.

Therefore, although there is an apparent cleavage in the Progressive party, it is not disintegration, it is merely a cutting off of fungoid growth, the sort of operation that many political students would like to see in the Liberal organization with reference to its high-protectionist element, and in the Conservative party with reference to some of its Liberal-minded members. The Progressive group has been strengthened rather than weakened by the operation. No longer will it have to cater to the Red element, but can stick to its knitting without having to put in the occasional red tuft as a concession to radicalism.

When Bryan Meets Bryan

"There is plenty of room at the top" is accepted as axiomatic but the cynic rises to remark that the top rungs are very slippery. Along which line there is some interest to a little incident witnessed by a member of THE FINANCIAL POST staff who took in a few of the sessions of the Democratic National Convention in New York.

A Massachusetts delegate handed a page boy a message, saying "Boy, take this to Mr. Bryan."

"Where is he from?" asked the page.

The Massachusetts delegate laughed uproariously. It tickled his sense of humor that anyone should want to know in which state delegation the well known William Jennings Bryan could be found.

But the boy merely repeated his question in another form. "Which Mr. Bryan?"

Only then did it occur to the delegate that there were two Bryans in the convention hall and that William Jennings Bryan was no longer the one and only Bryan.

The real significance of the incident did not dawn on the Canadian until the nominations were finally closed a few days later. John W. Davis, who had been opposed to William Jennings Bryan with all the power he had, was nominated for president. Charles W. Bryan, brother of the once more famous W. J. Bryan, was nominated for the vice-presidency.

As Governor Charles W. Bryan rose to heights of political importance he had never before reached William Jennings Bryan's political lamp flickered and went out.

Weekly Newspaper Men Advertise Canada in France

Special Correspondence.

LONDON.—That the Canadian weekly newspaper party has made a very deep impression on French business men and politicians during their visit to France in the opinion of an American newspaper man who discussed the matter with Roy Sales, secretary of the association.

The members of the party speak very highly of their busy and interesting trip. On the continent they were entertained by the King of Belgium and Marshal Foch.

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NET DEBENTURE DEBT	5,571,038.79
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London is one of the leading cities of Ontario, as regards both size and importance, ranking next to Toronto, Hamilton and Ottawa. It is the commercial, financial, educational and manufacturing centre of the southwestern portion of the Province, which is a very rich agricultural country.

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INVESTORS' INQUIRIES

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

BROKERAGE CHARGES

E. E., Saskatchewan.—Kindly inform me what commission the brokers charge for buying and selling stocks and shares on the Montreal Stock Exchange. Do they charge so much per share or per cent.?

Brokerage charges on the Montreal and Toronto Stock Exchanges are on a sliding scale. Stocks valued up to $5 sell on the basis of 6¼ cents a share; between $5 and $10, 12½ cents a share; between $10 and $125, 30 cents a share; between $125 and $200, 37½ cents a share and above $200, 50 cents a share.

There is a different schedule in the case of low-priced mining stocks.

BELGO CANADIAN

Reader, Moncton.—What is your opinion of Belgo Canadian Paper Company?

Belgo Canadian preferred is in an excellent position and the current earnings of the company are such as to give ample protection to the preferred dividends. The company has been highly successful in the past and despite a recent reduction in its rate of output due to the softening of the newsprint market should continue to have as good a record in the future.

One reason that the preferred stock is selling at a few points below the original issue price is that the stock, being new, has not been thoroughly absorbed by the investment public. However, it is gradually getting into the hands of those who are holding it for investment purposes and the record of the stock since its issuance compares very favorably with most new issues.

NORTHERN CANADA POWER

F. C., New Brunswick.—I would like your opinion of Northern Canada Power Company.

Negotiations are now under way between Insull interests of Chicago, Northern Canada Power, Hollinger Gold Mines and Abitibi Power and Paper Company to clean up the power situation in Northern Ontario.

Details of the proposals have been published briefly in THE POST. It is understood that the Insull people may take control of the whole Fasken Power interests, which include Northern Ontario Light and Power as well and the report is that the price for Northern Canada stock will be $60. Abitibi Power will take over the Hollinger development, leaving the large gold mine as a customer of the Insull's. Indications are that the deal will go through.

Northern Canada is capitalized at $6,000,000. Funded debt includes 6 per cent gold bonds, due 1928, $1,208,000; first mortgage sinking fund, 6½ per cent., due 1938, $4,500,000. The company paid 4 per cent. in 1920, but no dividends since.

DRYDEN PULP & PAPER

M. M., Ontario.—Some time ago I bought some shares of Dryden Pulp & Paper, and paid $20 per share. Stock now is quoted at $1.50 per share. What is your opinion of same?

Dryden Pulp and Paper Company went on the rocks financially because it could not withstand the force of world conditions in the pulp industry. Their market for kraft pulp must continue to be in the United States and in that market they have been met with difficult competition from European producers who have offered pulp at very low costs. Dryden makes a certain amount of paper but the high tariff wall in the United States makes it impossible to market this paper in that country and the limited Canadian market and the much more limited export market overseas must be looked to to absorb the entire production. Conditions are not satisfactory and are not likely to be satisfactory until international affairs are arighted or until by some arrangement we are able to get free entry for wrapping paper in the United States. Dryden may pull out of the hole but the way will be difficult unless striking changes in conditions occur.

COMMONWEALTH LIFE

Reader, Galt.—I would like your opinion of the Commonwealth Life Insurance Co.

The Commonwealth Life and Accident Company was started with head office in Hamilton a couple of years ago. Since this inception, it has made satisfactory progress. At the end of 1923, the insurance in force was $4,150,567, not including double liability. The assets at the same time were $165,357. The managing director, William Hunter, had had considerable experience in the insurance field. The other directors are well known and successful business men.

An investment in the stock of a life insurance company must be regarded in the light of a permanent investment rather than a temporary investment or speculation. It usually takes a new company some years to build up a strong field force, and place a considerable volume of insurance on its books. Most companies which have succeeded in doing this have paid satisfactory dividends to shareholders and in a number of cases these have been highly profitable.

GORDON IRONSIDE

A. C., Halifax.—I would appreciate very much if you could give me any information on the status of Gordon, Ironside & Fares Company, as per their bondholders' committee letter attached, dated June 20.

The letter addressed to the bondholders of Gordon, Ironside & Fares Company, which you attached with your letter gives a fairly good idea of the position of the company. This new financing is really designed to save the properties from passing into the hands of receivers. For some time the handling of the affairs of the company has been in the hands of a bondholders' committee. They have rented the properties to a private company but the returns have made little provision for the payment of the interest. In the meantime you will see by the letter addressed to the bondholders some of the properties have been disintegrating and there has been neglect of taxes, insurance, etc. You will also notice that it states in the letter to the bondholders that a great deal of this money is to go in an effort to try and redeem or revive some of these properties. The funds will hardly improve the future of the company other than to put the properties in a position whereby the bondholders would be better able to make a deal for them. It is very doubtful if after this the company, if revived, should get back into the business. The packing industry and provision business of the country is over developed as most packing house heads admit and competition is decidedly keen and the only salvation of the present operating companies is the development of an export trade. The past few years have been a losing proposition for practically all companies.

DOMINION BRIDGE

A. B., Fort William.—Please give your opinion of Dominion Bridge Company. The company furnished a very satisfactory consolidated balance sheet as at October 31, 1923, and since furnishing this statement I notice that the Engineering Company, which I understood was one of the subsidiary companies, has now been separated from the Dominion Bridge Co., and is operating on its own account, and that the stock held by the Dominion Bridge Co. has been eliminated. Does it mean that Dominion Bridge has sacrificed $2,000,000 for the benefit of the Engineering Co.?

Future prosperity of Dominion Bridge Company depends to a very large extent upon the development of the country. It has immense plants that are not working anywhere near capacity, possibly because the orders are not to be had. Possibility is that it will be a long pull for the stock before it gets back to former high levels.

The company has undoubtedly lost a great deal of money in Dominion Engineering Works. The last annual statement showed investments in other companies to have been reduced by about $1,300,000 which may represent the writing down of The Dominion Engineering Works assets. The Dominion Engineering Works has a modern plant and excellent connections but has not been able to get sufficient orders to make reasonable profits. Perhaps you are correct in assuming that your possibilities for profits on Brazilian Traction are greater than on Dominion Bridge and the switch from one to the other might work out favorably.

St. Maurice Paper is not widely traded in. It has not been on the exchange very long and there are not a large number of shares available for distribution. Thus it has not acquired the popularity that other newsprint stocks have had. This does not argue any inherent weakness in the security and we do not feel you have any reason to sell the stock. In fact developments along various lines have been suggested that may easily add cosiderably to the market value of St. Maurice. The present market is considerably less than the high point reached during 1923.

N. S. STEEL BONDS

F. L., New York.—Would you kindly advise us of your opinion concerning the Nova Scotia Steel & Coal 1st mortgage 5 per cent. bonds due July 1, 1959. We have several clients holding this security, who are very disappointed at the present market, which is 76-78 American funds. We would appreciate your advice concerning the cause of the weakness of this security and also, if possible, would like to have financial statement of the company.

We do not think it would be possible for you to get a financial statement of the Nova Scotia Steel and Coal Company. This company went into the merger of various steel and coal companies in Nova Scotia that is now known as the British Empire Steel Corporation and since the date of the merger only consolidated balance sheets have been issued. So far the company has given no indication of the division of earnings or assets among its constituent units.

Practically all of the British Empire Steel securities are selling at low levels. This is due to the lack of confidence felt by many investors in any security of that company. The company has had serious labor troubles. It started off under the auspices of a group that included many men who are not highly regarded by investors in Canada, and recently the dividends on preferred stock were cut off. Many of the securities are seemingly selling at well below their intrinsic values and this probably applies to the Nova Scotia Steel and Coal first mortgage bonds.

We cannot definitely forecast the future of this company or any of its securities. The company undoubtedly has the basis of a great steel and coal industry that could build up for both domestic and export trade. It has in the past proven—through its individual companies—a great earning power. If it can get the financial support required to give it necessary additions and improvements to plant, if it can better its working capital position, if it can successfully increase its export trade and if it can solve its labor complex, its future is assured.

Our Dual Responsibility

In all transactions with customers, we recognize a dual responsibility; first, by all recognized safeguards to protect the investor against loss; second, to remember that when a customer invests in a security of our underwriting, he has placed his faith and confidence in our integrity.

In this spirit we offer as a sound investment the 6½% First Mortgage Bonds of an old established, well managed Light and Power Company at a price to yield 6.60 per cent.

We conscientiously believe that there is available no better security offering an equivalent rate of interest. For this, most convincing of all reasons, we invite you, as a possible investor, to write for our circular "N.L." giving full particulars.

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Has $25,000 for Speculative Investing

Vancouver.—I am considering making a speculative investment of twenty to twenty-five thousand dollars and would like your opinion. I can afford to lose but do not desire to do so. I am interested particularly in picking the best of the list and avoiding those with inherent weakness. Common: Steel of Canada. Preferred: Howard Smith, Dominion Steel, Maple Leaf Milling, Monarch Knitting, Dominion Canners, Goodyear Tire, Famous Players, Winnipeg Electric. Bonds: East Kootenay 7%; Dominion Iron 5%, 1939; Wayagamack 6%; Howard Smith 7%; N. S. Steel debs. 6%; Porto Rico 5%, 1962. If you care to make additional suggestions I shall be interested.

Many of the securities you have mentioned show a relatively high yield which is a reflection of their speculative features and they have for that reason considerable attraction for the speculative investor. While they are not all to be rated at the same level, you would have to be prepared to assume the possibilities of loss with practically all of them—that being the entailed responsibility of securing such a high return. With some of them prospects for profits are very good; in the case others there is likely to be a period of adjustment during which many favorable or unfavorable developments could take place and in the case of still other companies there are distinctly questionable features. On the whole though an investment spread over a number of the securities mentioned and, perhaps the inclusion of some other companies, would likely prove, with the return of better conditions in Canada and a normal degree of expansion in the country, a very satisfactory proposition. A business man's investment of this character should be spread over a number of securities to even up the return in the event of some of the companies getting into difficulty—as they are almost certain to do.

Maple Leaf Milling preferred we regard as one of the most attractive on the list. There should be an assured future for the milling industry in Canada. There was a marked development during the war and since then there has been a rather serious depression. This company has now made the necessary adjustment and with good management, which seems assured from the present directorate, should be in a position to expand with the development of the industry and pay dividends regularly.

Dominion Canners preferred may also be well regarded as an investment. This industry is one of the most stable in the country and dividends should be reasonably assured. For a time this industry was overextended but adjustments have been made and it is now in a comparatively healthy state.

Steel of Canada common has always been well regarded with speculative investors. Its dividend record is very good. Taking the farther view there has been in the minds of investors some question as to how the company would find things if the United States Steel Corporation should go ahead with the plant at Ojibway. However, there is no indication at the moment of this project being taken up again.

Winnipeg Electric preferred is working into a more stable position. In the United States, and to some extent in Canada, public opinion is becoming more favorable towards the utilities and, although in this country the prejudice in favor of public ownership is strong in some of the provinces, there would seem to be an increasing disposition to give utility corporations a square deal.

Goodyer Tire preferred is probably not as well regarded from the investment standpoint as it might otherwise be had the company not suffered such a serious reverse during the period of deflation following the post-war industrial boom. This company is well organized and well managed and should have a reasonably assured future. However, there will likely be periods of expansion and contraction in an industry like this which to such a large extent reflects the general buying power of the public.

Howard Smith preferred is attractive at the present yield. The reduction in the common dividend was an unsettling factor and there is no definite assurance that the dividend will not be passed entirely. For the moment the preferred does not seem to be in any danger. The company's sales both at home and abroad are increasing as are the profits and, with the better position that has been achieved by completion of the company's construction program and the final arrangement of its financing, the company should be able to continue to improve its position. The stock is speculative, but one with excellent prospects. It sold up to 110 about a year ago.

Dominion Steel preferred has great speculative possibilities for the investor with confidence in the future of the industry. The dividend has been passed entirely and it is hardly likely that it will be resumed in advance of the resumption of dividends on all British Empire Steel preferred stocks, despite the favorable position of Dominion Steel. Nevertheless in the ultimate analysis this security must be regarded as ranking ahead of the other preferred shares and if there is any future at all for British Empire Steel Corporation, Dominion Steel should come in for better times.

Famous Players has been solidifying its position. Earnings up to the time the last figures were available were running at a satisfactory rate and there is no indication of any necessity for passing the preferred dividend. Whether the company could carry this dividend through an extended period of unsettled business conditions in Canada is open to question. In any event the price of the stock is fairly low and the yield high. It would seem quite likely that in the end the stock would build itself into a stronger position.

Monarch Knitting preferred shows a return of more than 10 per cent. at the present market. The textile industry has been greatly disturbed by foreign competition and the failure of the government to do anything to offset depreciated currencies, or the advantage of the British preference has had the effect of clouding the future. This is one of the most speculative of the list submitted. If you have confidence in the future of the industry it should be a good buy.

Dominion Iron bonds are decidedly worth consideration. The yield is high enough to compensate for any speculative features that are present. We think these bonds are overlooked by most investors. They should be worth considerably more than the present market.

East Kootenay Power seems to have an established future and the bonds rank fairly well.

Wayagamack bonds have been pushed by many interests but have not been able to go above a certain point. The company has had a hard fight to keep up its business in foreign markets. To date it has succeeded admirably but it must be considered that Wayagamack is a comparatively young company that has not yet been able to build strength into its securities that some investors demand.

Howard Smith bonds have also had excellent backing, and should be given a respectable rating.

Nova Scotia Steel Debentures are likely to show improvement with a resumption of activity in the steel industry in Canada.

Porto Rico bonds are seldom dealt in but are well regarded in investment circles. If secured at a proper price should make an attractive holding with a very fair yield.

There are a number of other stocks like C.P.R., Bell Telephone, Canadian Cottons, F. N. Burt, Canada Bread, Canadian General Electric, Dominion Textile, Montreal Power, Laurentide, etc., which you might also take into consideration.

Current Opinion

WEST INDIAN TRADE

(Lunenberg Enterprise)

There have been few speeches made in the House of Commons during the current session which have received so much or so well deserved praise as that delivered by Hance Logan, M.P. for Cumberland. His subject was the possibilities of further trade with the West Indies. So valuable a contribution is it to the discussions on Canadian-West Indian trade that it is difficult to condense the speech into presentable form.

From the facts presented, it is clear that the nine million people in the West Indies are buying products which Canada could supply but is not now supplying. On the other hand Canada is buying a great deal of West Indian produce which does not enter Canadian ports. Thus Canadian steamship companies and Canadian railways are losing trade which could be directed through Canadian ports, if proper application of existing and possible trade preferences were made. The value of this possible change in trade routes will become apparent when it is considered that nearly all the West Indian fruit coming into Central Canada comes through United States ports and is carried on United States railroads just as far as possible before being sent north to its destination.

If this traffic came through Canadian ports and was carried on Canada's National Railways, it would help some to keep down the deficit on these lines.

Two zones more nearly complementary than Canada and the West Indies can scarcely exist. What the West Indies produce for export, Canada cannot produce. On the other hand Canada produces what the West Indies cannot produce.

The chief reasons Canada is not getting her share of the trade is in the first place that the steamship communication between Canada and the West Indies is not fast enough. Nor is it equipped with cold storage. In the second place, the United States has fast lines properly equipped. Moreover, the owners of the United States lines have shown a disposition to keep out efficient competition by the most approved jungle methods.

VERY MUCH ALIKE

(Regina Leader)

A butter and cheese exporter of Montreal takes strong exception to The Morning Leader's statement that "the fact cannot be concealed that the Merchants and Home Bank cases gave public confidence in the Canadian banking system a rude jolt." The Home Bank and the Merchants Bank cases were as far apart, writes this gentleman, "as the sun from the moon." That is "some" distance.

The Morning Leader never assumed or said that the two cases were identical, although the difficulties in which both banks found themselves were due to the same cause—a disregard for sound banking practice. The Merchants Bank was fortunate in having another bank come along and take it over and prevent actual loss to the depositors. The Home Bank was not so fortunate.

Our Montreal friend will find in the current issue of THE FINANCIAL POST an article on government inspection of banks, which explains the similarity between the causes which led to the absorption of the Merchants Bank by the Bank of Montreal and the disastrous collapse of the Home Bank. The article, which has the endorsation of the editor of THE FINANCIAL POST, states:

"The (U.S) rules in regard to what constitutes overdue paper are stated; and under them, if interest is not paid on a loan for six months, it is a statutory overdue debt. A rule of this kind would have put the Home Bank out of business long ago, as, according to the liquidator's statement, the interest on some big loans never was collected, but was added to the debt and taken into the assets each term at the increased amount. It would also have forced the Merchants Bank to have faced the situation earlier. It will be remembered that in that institution the trouble was due chiefly to a loan to a firm of brokers against security which was steadily decreasing in value and the consequent transfer of several millions from their cash assets to what turned out to be practically a bad debt. Such supervision as is now to be the rule would have promptly discovered this and stopped it before it had gone too far."

The Merchants and Home Banks' cases were just about as far apart as are Montreal and Toronto.

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U.S. FARM LOANS TO FARMERS ARE HARD TO COLLECT

Attitude of Borrowers is That the Government is Rich

From Our Own Correspondent.

NEW YORK.—Western Canadians who are so seriously suggesting government financial aid for distressed farmers will do well to consider American experience with similar schemes before they insist upon the Canadian government adopting their various plans.

THE FINANCIAL POST is told by an American banker who has made a study of the agricultural credit machinery of the United States, that the Federal Farm Land Banks, and the Joint Stock Land Banks, have at present 15,000 delinquent accounts. These delinquent accounts represent principal of $60,000,000, and past due interest and amortization payment of about $2,500,000. As the Federal Land Banks and the Joint Stock Land Banks have together extended loans to some 373,000 clients to an amount of $1,400,000,000 since they were formed in 1916, the outstanding delinquent accounts of the land bank system represent a substantial part of the business handled during the eight years the banks have been in existence.

There are twelve Federal Farm Land Banks, and some sixty-three joint stock land banks. The Federal Farm Land Banks are government institutions conducted under the supervision of the Federal Farm Loan Bureau. The joint stock land banks are privately conducted under the direction of the same board.

The Federal Farm Land banks were originally started with capital supplied by the Federal government and by sales of stock to associations of farmers. During recent years their loans on mortgages have been financed by the sale of debentures to the investing public.

The Joint Stock Land Banks, as their name implies, are private corporations whose capital has been supplied by private investors. Although there are a great many of them, most of them have a paid-in capital of about $250,000.

American bankers in close touch with the work of the land banks of both classes tell THE FINANCIAL POST that farmer borrowers regard their indebtedness as farmers usually regard indebtedness to government bodies—as something to be paid after all other debts are provided for. They appear to believe that the "government is rich. It can wait."

Important Find of Clay in Ontario

The recent discovery, by means of drilling, of a large and valuable deposit of pigment clay within the limits of Arkona village opens a field of possibilities which at this date it is not possible to estimate. The deposit discovered, believed to approximate 10,000 or more tons, is considered but the initial discovery to be made in the district. The clay is of that particularly valuable inorganic clay of the group of hydrates and hydroxides, which includes yellow ochre, raw umber, raw sienna and capah brown. The deposit, it is said, is unusually rich in brown pigments and is in a state ready for immediate crushing by large crushing machines. A tremendous development in raw materials is made possible by the discovery, it is stated.

THIS IS SERVICE

A Paris bootblack now uses a palette when shining women's shoes. The Parision women's shoes vary so much in color that he found it often difficult to get the right hue of cream to match. So on his palette he puts a number of different creams and combines them in varying proportions according to the tone of the shoes with which he has to deal.

News and Views of Bond Market

A HIGHER PRICE STILL FOR ISSUE OF N. BRUNSWICK

Basis is 4.95—Will Federal Issue be 4½ Per Cent.?

Like several of the larger recent issues, the New Brunswick $1,161,000 of ten year five per cent. goes to Wall Street, the tender of A. E. Ames & Co. of 100.529 payable in New York, being accepted. The price indicates a basis of 4.95 and is considerably higher even than that paid for the British Columbia issue last week which was on a basis of 5.15 for the twenty-five year issue. The number of the bids received as well as the high prices offered indicate the anxiety of the dealers to secure bonds for the current market. Municipal issues during the week have been few, reflecting the usual conditions of the market at this season, but prices have been very firm.

The strength of the market at home as abroad has been indicated in a further slight advance in Victories, while the larger issues sold last year, including Ontario, Canadian National Railway and Dominion issues, are now being bid well above the original prices.

Lower Interest Rate

Interest in bond circles largely centres in forthcoming Dominion financing. There is now a growing opinion that, in view of the strength of the market, the interest rate will be made 4½ per cent. An advantage of this change would be that the price to the investor would likely show a small discount rather than a slight premium and the lower rather that the higher price is usually the more attractive. On the other hand, from the standpoint of the government, the higher rate would result in a larger return and public bodies usually find a premium above the nominal amount of the loan an attractive consideration.

Whether Mr. Robb will borrow at home or in New York is still a matter for much speculation and the fact that the acting minister of finance has gone to England for some weeks has raised the point as to whether he may be studying the possibilities of the British market as well. On the face of it there does not appear to be much chance that an attractive arrangement could be made to secure British funds under the present technical market conditions as reflected by exchange. The New York market, however, does offer attractive possibilities and the statements which have been made by Mr. Robb as to seeking capital in the best market would seem to indicate that at least a portion of the capital desired will come from American sources. The Canadian market is being prepared for any borrowing which may be decided upon in this country.

The firm demand for the rather limited supply of attractive offerings comes largely from institutional sources, but there has also been a very fair market with private investors considering the season. The prices of industrial and utility issues have been generally firm, but there has been some recession in the Brazilian Traction issues as the result of the disturbances in Sao Paulo. It is not regarded that the position of these issues is really affected by the developments, but some apprehension is felt and has led to offerings at lower figures.

A number of bond houses are preparing for the marketing of an important issue of building bonds to finance a new skyscraper being erected in Toronto.

Corporation Issues

CEMENT ISSUE OFFERED

An offering of $1,500,000 National Cement 7% serial bonds is being made by a syndicate composed of Versailles, Vidricaire, Boulais; Le Comptoir Financier, Ltd.; Credit Canada, Ltd., of Montreal, and Pond & Co., Boston.

TORONTO CARPET

The unsold balance of $1,000,000 of the Toronto Carpet Manufacturing Co., Ltd., first mortgage 6 per cent., 20-year sinking fund gold bonds, series "A," is being offered by Hanson Brothers, Montreal and Ottawa, and R. A. Daly & Co., Toronto and Boston. The Toronto Carpet Manufacturing Co., which was founded in 1891, is one of the largest manufacturers of carpets and rugs in the Dominion. The company also owns or controls various subsidiaries, manufacturing woollen cloths, flannels and yarns, together with a subsidiary company in Philadelphia, Pa., for the manufacture of carpets for the United States market. The bond issue now being offered is a direct first mortgage on all real property now owned or hereafter acquired. The average annual net earnings for the past six months, available for bond interest, amount to $436,108, or more than seven times bond interest requirements. A cumulative sinking fund of 3 per cent. of all bonds at the time outstanding, plus 6 per cent. interest in those which may have been retired through the action of this fund, will retire the entire issue by maturity. The bonds are being offered at 98 and interest, to yield nearly 6.20 per cent.

FRASER RIVER LUMBER EXPORTS

VANCOUVER.—Lumber exports from Fraser River saw mills for the first quarter of the current year show a remarkable increase over the exports for the corresponding period of the previous year. The actual figures are: lumber exported in the first quarter of 1923, 9,004,226 feet, valued at $215,245; while for the same period in 1924, 21,037,748 feet, valued at $480,539, has been shipped.

Coast Bridge Issue Taken Up Readily

Absorption of the Burrard Inlet Tunnel & Bridge Company bonds issued by the Royal Financial Company on behalf of the Northern Construction Company, and which are unconditionally guaranteed by the District of North Vancouver, continues rapidly in the retail trade, according to bond dealers, says a Vancouver wire.

Vancouver and Victoria houses divided the issue of $375,000 almost equally. Victoria evidently showed particular interest in the 6 per cent. long-term loan. So keen was the market that the issue was oversubscribed by about $250,000.

City Comptroller Pilkington, who has been watching Victoria closely in government financing, is expected to bring on his issue of more than $600,000 in the near future, in view of the highly encouraging condition of the market.

BURDEN OF TAXATION HANDICAPS INDUSTRY

Tax Arrears of Nearly All Cities Show Rapid Annual Increase Per Capita

One of the subjects of discussion at the recent annual meeting of the Bond Dealers' Association of Canada, was the question of arrears in tax payments on the part of municipalities. In a paper read by McKenzie Williams, chairman of the central committee on municipal administration and finance, attention was called to the annual increase which is taking place in tax arrears of cities, interpreting this as an indication that the present rate of taxation is weighing too heavily upon Canadian municipalities as well as individuals. The present trend was illustrated by the following comparison of the per capita tax arrears of a number of Canadian cities since 1920:

	1920	1921	1922	1923
Hamilton .	$4.45	$ 5.18	$ 6.90	$ 7.67
London ..	1.53	1.91	3.25	.....
Ottawa ...	5.13	4.95	5.90	7.53
Toronto ..	7.31	9.19	11.03	12.64
Windsor ..	4.37	6.33	10.13	12.91
Quebec ...	5.57	8.79	9.91	11.88
Moncton ..	3.33	7.63	8.11	12.76
Halifax ...	....	15.18	.....	44.77
York Twp.	12.46	17.52	19.24	22.15

It is not argued, of course, that the fact that a municipality has tax arrears means necessarily that the municipality is in distress. The marked trend towards larger arrears, however, is significant, expecially since it is fairly general in almost all parts of the country. The above table shows not a mild increase, but a very substantial annual trend upward, and one of sufficient magnitude to warrant careful attention to the matter.

The above facts and figures illustrate once more the advisability of placing taxation problems under the care of experts who will be able to devise forms of taxation which will raise sufficient revenue without imposing such a burden as will handicap industry. This would appear to be what is taking place at the present time.

FORECAST NEW POWER COMPANY AT OTTAWA

Two Sites Have Estimated Capacity of 78,500 h.p.; Expect $3,000,000 Bond Issue

MONTREAL.—It is learned on good authority by THE FINANCIAL POST that a new power company will make its appearance some time in the late summer and that a local bond house interested in power development will offer in this connection a bond issue of approximately $3,000,000. Although nothing definite has been announced it is understood that the scheme is to tie up to or absorb an existing company and purchase the two power sites on the Gatineau River, viz.—the Chelsea Falls and the Farmers Rapids. These sites, it is stated, afford an immediate and attractive prospect for profitable development. It is thought that the sale of the Riordon assets on Sept. 8 will bring into being several new companies and amongst others this new power firm, provided they secure the power sites now owned by the Riordon Co.

It is understood that big interests have been approached in connection with this new company and the plans of the promoters are said to be of a very wide character. Chelsea Falls is situated near the mouth of the Gatineau River, within seven miles of Ottawa, and 110 miles of Montreal; while the Farmers Rapids' site is a mile below the fall. The two sites have an estimated capacity of 78,500 continuous horsepower. In addition to being close to an industrial centre, the location is the natural one for the erection of a pulp and newsprint mill for developing the very large pulpwood resources of the Gatineau limits, which are said to contain over 12,500,000 cords of pulpwood, besides one of the greatest stands of pine in the country.

GOVERNMENT STILL SPENDING FREELY

Supplementary Estimates and Special Guarantees Greatly Enlarge the Estimates

From Our Own Correspondent.

OTTAWA.—New commitments authorized by parliament will increase very considerably the total amount of the obligations to which the country has been committed during the present session of parliament. Only by taking into account the indirect liabilities thus taken on, can the real total expenditure authorized be secured.

The main estimates were $4,,571,850.

The supplementaries are $6,700,000.

Vancouver harbor vote $5,000,000.

Bridge over the St. Lawrence, authorized through the Montreal harbor board, about $10,000,000.

Toronto viaduct, from $7,000,000, to $10,000,000.

C. N. R. branch lines, $15,000,000.

This brings the total in the way of commitments during the year up to $445,000,000.

Some of the foregoing commitments are just as much direct obligations as the votes to the provinces for housing and roadways, and which have bulked so large in the estimates of former years. For example, while the Montreal harbor board will build, operate and collect what revenue it can from the new bridge across the St. Lawrence, it cannot be expected that this will be a paying enterprise. It will be a national work and thus chargeable to the national treasury.

It is necessary that the foregoing should be borne clearly in mind if one is to get a correct appreciation of the expenditures to which parliament has committed the country during this session.

United States to Retire War Debt in 30 Years

WASHINGTON.— Retirement of the entire war debt within a period of about thirty years has become a possibility under the financing plans of the treasury. This program may be carried out even if France and Italy pay nothing whatever on their debts to the United States. The thirty-year goal is in sight also notwithstanding the fact that the agreement for the funding of the British debt contemplates extending the payments over a period twice that long.

Fulfulment of the program is contingent upon the avoidance of any further wars involving the piling up of new debts during the thirty-year period, and also is dependent upon the willingness of Congress not to interfere with the use of considerably more than the amount prescribed by law for sinking fund purposes toward the retirement of the debt each year.

The gross public debt on June 30, when the fiscal year 1924 closed, amounted to $21,250,812,989. It has been decreased by the amount of $1,098,804,375, during the fiscal year.

CANADA TAKES LIQUOR TOLL

British Columbia's liquor imports netted to the public purse of the Dominion by way of customs duties alone $4,779,110 in 1922 and $5,053,167 in 1923. In addition to this, excise duties on foreign liquor imported totalled $6,721 for the two years. On domestic spirits and malt liquor excise totalled in the two years $808,745.

UNLISTED BONDS
(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	95	95¼
Alabama 5% 1962	76½	77½
Ames Holden 6% 1947	..	42
Belding 5% 1936	86	..
Belgo Can. Paper 6% 1943	94¾	95¼
Brompton 8% 1941	108	110
Burns, P. & Co. 6½% 1943	98	100
Can. National Rly. 5% 1954	98¼	99¼
Calgary Brewing 5% 1942	78	..
Can. Steamship Lines 7% 1942.	95¼	96
Can. Light & Power 5% 1949.	79½	80
Consumers Glass 6% 1935	85½	88
Can. Steel Foundries 6% 1936.	98½	..
Dom. Iron 5% 1939	67½	68
Dom. Power 5% 1932	91	..
Dom. Textile 6% 1949	..	102¼
East Koot. Power 7% 1942	101½	..
Fraser Co. 8% 1941	..	105½
Frontenac Brewery 6% 1951	..	88
G.T.P. 4% 1955	72½	..
G.T.P. Sup. 4% 1955	73	..
Holt, Renfrew 5% 1937	..	96
H. Smith Paper 7% 1941	96	96¼
Lake Sup. Paper 6% 1941	105	..
Laurentide Pow.	97½	98¼
Laurentian Pow. 6% 1936	95¾	96¼
Maple Leaf Milling 6½% 1943.	100	..
Maisonneuve 5% 1954	97½	..
Man. Power 7% 1941	98½	98½
Mattagami 7% 1949	25	..
Montreal Pub. Ser. 5% 1942	87¼	87½
Montreal Steel Works 6% 1940.	99	..
Province of Ontario 5% 1948	99	99½
Nor. Ont. Power 6% 1931	94	95
Ottawa Gas 6% 1939	100	..
Ontario Pulp 6% 1931	105	..
Price Bros. 6% 1943	99	99½
Paton Mfg. Co. 6% 1953	92	..
Porto Rico Rly. 5% 1962	61½	64
Shaw. Cotton 6% 1949	..	78
Shawinigan 5% 1934	101	..
Shawinigan 5½% 1950	102	..
Shawinigan 6% 1950	103½	..
South Canada Power 6% 1949.	..	101
Spanish River 8% 1941	106¼	..
St. Maurice Power 6½% 1953.	106	106¼
Wabasso Cotton 7% 1942	94½	..
Windsor Hotel 6½% 1943	100	..
West. Koot. Power 6% 1943	99¼	..
West. Power 5% 1949	89	..
West Power 7% 1926 debs.	98	..
Quebec Power 6% 1953	98½	98¼
N.S. Steel 6% debs.	67	..

BOND MOVEMENTS OF THE WEEK

Week Ending July 15.

BONDS	Int. Rate	Due Year	Yield	Range 1923 High	Range 1923 Low	Range 1924 High	Range 1924 Low	Latest Price Ask	Latest Price Bid	High	Low
Asbestos ..	5	1942	6.99	90	79	83½	76	—	79	79½	78⅝
Canada Bread ..	6	1941	5.95	100	96	100½	98⅜	100½	100	100½	—
Can. Cottons ...	5	1940	6.88	90	85⅝	90½	85½	—	88½	89	85½
Dom. Canners ..	6	1940	6.19	93⅝	95⅜	98	97¼	98	—	98	—
Dom. Textile (A) ...	6	1925	6.00	100⅞	99⅜	101⅛	100	100⅜	100	100	—
Ogilvie C	6	1932	5.45	102½	101	104	101½	103¼	102¼	103⅜	103
Quebec Rly.	5	1939	6.24	83½	68	87¾	80	88½	88¼	87⅝	87
Sao Paulo ..	5	1929	7.71	90¼	86	89	86½	—	88	88	87
Sher. Williams	6	1941	5.90	102½	99	102¼	101	—	100	101	—
Wayagamack ...	6	1951	8.17	86¾	75	80⅝	74⅞	76½	—	76½	—
Winnipeg Rly.	5	1927	5.47	100	93½	99½	97½	98½	—	98½	—
War Loan	5	1925	4.40	100.95	99.10	101.15	100.15	100.95	100.85	100.80	100.55
Do.	5	1931	4.87	101.80	99.80	101.90	100.15	101.15	101.05	100.80	100.60
Do. ...	5	1937	4.72	103.30	102.00	103.30	102.10	102.70	102.60	102.70	102.35
Victory Loan ..	5½	1924	4.50	101.65	99.80	100.90	100.05	100.55	100.45	100.40	100.30
Do. ...	5½	1927	4.43	103.50	101.00	103.15	102.15	102.85	102.75	102.70	102.40
Do. ...	5½	1933	4.82	106.70	104.15	106.65	104.30	105.15	105.05	105.10	104.70
Do. ...	5½	1934	6.09	103.90	101.30	103.30	103.00	103.25	103.15	103.30	103.15
Do.	5½	1937	4.77	108.45	105.25	108.17	106.30	......	107.15	107.25	106.90
Do., Renewal ..	5½	1927	5.08	102.80	100.75	101.80	101.00	101.80	101.60	101.40	101.35
Do., Renewal ..	5½	1932	5.10	103.15	100.80	102.75	101.35	102.90	102.80	102.70	......
Do., Refunding ...	5	1928	5.90	99.70	98.80	100.50	99.40	100.20	100.10	100.25	100.00
Do., Refunding . ..	5	1943	4.96	99.25	97.90	100.60	99.00	......	100.40	100.60	100.15

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BRITISH IDEA IS CANADA LEANING TO UNITED STATES

(Continued from page 1)

fact that Australia has no entangling alliances, no matter how nebulous those alliances may be, is a considerable factor in determining the degrees of goodwill held in Great Britain towards the two senior dominions. Australia is whole-heartedly British. Canada is said to share her affections between Britain and the United States. The public utterances of public men in Canada with reference to trade relations with the United States are taken very seriously here, and unless Canadian statesmen and the Canadian press adopt a new attitude, the business benediction of the mother country will fall more and more on Australia, and the old lady's sons will travel the added leagues of distance to Australia rather than go to Canada.

All of which is being noted by thinking men and women from Canada who are now visiting Britain, and whose sympathies are entirely British.

A Book for Investors

In response to many inquiries we have issued a booklet dealing with certain classes of Government Bonds which we believe to be most suitable for the Canadian investor.

A copy will be sent upon request.

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SUCKER SCHEME IS TRIED ON OIL SHAREHOLDERS

(Continued from page 1)

Gibson, who also claims to be trustee for the Consolidated Realization Co. So far as THE FINANCIAL POST was able to ascertain, Gibson is playing a lone hand in both these "enterprises." While he refuses to acknowledge this, he also refuses to give out any information regarding his associates.

It does appear, however, that Gibson is an ex-associate of Dr. Cook of North Pole fame, now spending some time in Federal prison for defrauding the public through the mails. Further, Gibson, so the POST is creditably informed had an office for some time at 39 Cortlandt St., New York City, where he was associated for some time with Roger D. Longnecker, in the promotion of the Standard Petroleum Trust.

If the New York Herald is to be believed, Mr. Gibson and his associates, have in the past run foul of the law on at least one other occasion. The Herald of March 16, 1922, states that Roger D. Longnecker and George G. Gibson respectively, treasurer and vice-president of the Burke Homer Oil and Gas Company of Houston, Texas, had been arrested and arraigned before United States Commissioner Hitchcock, on a temporary complaint charging them with being fugitives from justice. This action was taken on the basis of an indictment returned in Houston, Texas, charging them with using the mails to defraud.

Ed. Note.—Because of the activities of oil interests in Alberta, the point has been raised as to whether or not the above people were not acting for the Standard Oil or some other concern. No responsible company would have anything to do with a defunct company and certainly not one in such shape as Peace River Pet., and especially when they had an opportunity, open for several months, to purchase the assets direct from the trustee, and thus not load themselves up with the shareholders with whom they would have to divide profits. It was this game of exchanging stocks of defunct companies for others which was largely responsible for the clean-up made by the U. S. authorities at Fort Worth just after the Texas oil boom, which landed several in jail. In other words it's only a new way to handle a suckers' list. Neither the Petroleums company nor assets are worth a cent, we are informed, unless the Victory well in Northern Alberta is completed or the people who acquire the assets are prepared to pay the government large arrears of rentals and go to the expense of drilling a well to prove up the property, which might run into $100,000.

A second circular perhaps reveals the real object of the drive. It says: "All Peace River Pet. shareholders who own Keystone Oil stock may send in this stock which we will honor and transfer the same as though they sent their original Peace River Pet. certificates."

Keystone shares are of value and the activity in Northern Alberta may make them attractive. Keystone interests bought the Peace River Pet. assets from the receiver. Peace River Pet. shareholders who hold Keystone shares bought them. There was no exchange. The "come-on" nature of the New York effort is further evidenced by the statement that the time for transfer is extended.

ENHANCED PRICES HELP TO BALANCE REDUCED YIELD

(Continued from page 1)

lower this year is likely to be partially balanced by the increase in the output and value of dairy products and livestock. Last year our exports of dairy products to the United States alone jumped from $5,843,000 to $9,577,000 and some of these products are now showing a monthly increase. A general improvement has been taking place in the live stock situation and the disappointing grain outlook lends further impetus to the extension of mixed farming throughout the West.

The general tone of retail business has not changed materially, but many lines are reporting increased sales, especially in Ontario and Quebec. The volume of business transacted, as measured by such factors as car loadings and bank clearings has been showing a steady rise for a number of weeks, and the heavy grain movement continues to be an important source of revenue. The receipts to date this year are more than 30 per cent higher than for the same time last year. At current prices this means a very substantial increase in revenue.

Relatively little activity exists in the steel and iron industries. Sales of pig iron are largely confined to small lots for immediate use. The same is true of steel bars and sheets. Few railroad orders are being issued although some fairly large machine tool orders have been recently placed.

VANCOUVER'S LUMBER BUSINESS

VANCOUVER.—Lumber exportc from the port of Vancouver amounted to 164,000,000 feet during the first four months of the current year, shipments being made to China, Japan, Australia, United Kingdom, France, South Africa, India, United States and other countries. In comparison with shipments during the first four months of 1923 from the port of Vancouver, total shows an increase of ninety million feet.

Municipal and Provincial Finance

WHY BIG PACKING CONCERN "SOLD" RETAIL STORES

They Were Assessed as Part of Manufacturing Plant

One of the largest packing concerns in Canada for years conducted retail stores in Toronto and throughout Ontario under its own name. Then the signs above the retail establishments were changed to show the name of a new company. But they did not actually indicate a new proprietor for there was no change in actual ownership. There was considerable speculation as to the change. Many of those who understood that there was no change in ownership were of the opinion that it was a matter of trade policy—to cover the fact that customers were buying from the packing company through its own stores. As a matter of fact the main reason for the change, so THE FINANCIAL POST understands, was to evade a heavy and unjustified tax burden. Anyone who pays taxes in Toronto, particularly the business companies, will admit that legitimate taxes are high enough without further charges imposed because of the letter rather than the spirit of the assessment act. In this case the retail stores were assessed as part of the manufacturing plant and therefore had to pay additional taxes as compared with competing retail establishments. As a separate company this technical point was overcome and the stores are taxed merely as stores. This is one of a number of inequitable features of the Ontario assessment and municipal acts which will be brought to the attention of the Ontario Statutory Revision Commission to be named by Premier Ferguson in the near future in accordance with steps taken during the session.

Here is another example of the kind of thing which it is hoped to be able to iron out. A big manufacturing concern in Toronto has a factory on a much larger area than required for the purposes of the plant. Under the act the value of the whole property had been included in assessment of the manufacturing plant. By building a fence the company was able to have the unused property assessed as vacant land and on a much lower rate than when included as part of the value of the manufacturing plant.

Taxing Power Plant

Still another point which the commission will be asked to clear up by making amendments to the act has to do with the valuation of power plants as part of manufacturing plants. It is argued that the power plant should not be included for the reason that if Hydro power is secured there is no assessment for plant—and what is more the Hydro itself pays no taxes.

The sittings of this commission will provide an opportunity to consider these and other inequalities of taxation which have become unduly burdensome on industrial production. It can be shown that industrial and commercial dividends should be exempted from taxation because they are already covered in the business tax; that income from bona fide reserve funds should not be considered as income from a source other than the main business of the taxpayer; that subscriptions for charitable and educational bodies should be allowed as deductions from income to the extent of 15 per cent. thereof.

May Tax Tires or Gas for Good Roads

Evidence presented at the Ontario Provincial Highways Commission brought out a considerable expression of opinion to the effect that the present distribution of the cost for highways was not equitable. Some of the outstanding points made in evidence were:

That as the users of automobiles benefit from the highways, there should be a special tax applied on gasoline or tires to be applied to the upkeep of roads.

That, as the Federal Government derives income from the duty of automobiles and the postal service benefits from the use of the highways, it should contribute to the cost of building and maintenance.

That the province, counties and cities should also contribute to the cost, as each receives a distinct benefit.

Grain Futures Tax to go to Privy Council

Manitoba has leave to appeal to the Privy Council to ascertain whether the act providing for the collecting of a tax by the province from the sellers of grain for future delivery is ultra vires.

Objections to the Act were raised by Saskatchewan, the latter province having urged the Dominion Parliament to disallow this legislation on the ground that it involved one province employing taxing powers which told most heavily upon the main industry of another province. The Supreme Court of Canada, ruled against Manitoba.

Hull Objects to Paying Bill of the Government

LONDON.—A petition for leave to appeal to the Privy Council in the case of the King vs. Hull, was granted. The action concerns the recovery by the Dominion of Canada of $6,000, part of the expenses of the commission created by the government for inaugurating the scheme of the joint improvement of Ottawa and Hull.

The government's petition stated that while Ottawa had paid its full share of the expense, Hull had put off payment. The city, while admittedly a party to the expenditure by the Dominion Government of the $6,000 as its share in the preparation of the federal district plans, refused to pay on the grounds that its commitment had been illegally made.

OUR FOREST INDUSTRIES

OTTAWA.—There are upwards of 100,000 people in Canada actively engaged in converting the products of the forests into wealth in some form or other and with the families they represent this means that half a million people in the Dominion are dependent on the forests for their living.

Municipal Notes

SYDNEY PAYS PROMPTLY

In spite of industrial depression and complaints of hard times, $187,000 or over 42 per cent. of Sydney's taxes have been paid in to take advantage of the discount period. On the last day of grace $100,000 was taken in, the largest day's collections in the city's history.

LINCOLN TAX RATE UP

The Lincoln County Council last week decided to impose a ten per cent. increase in the assessment of seven municipalities, viz., Merritton, Port Dalhousie, Niagara, Grimsby, Beamsville, Grantham and Caistor. Rumor was afloat that some of these intended to appeal the decision.

ESCAPED HIGH POLL TAX

SYDNEY.—Although the city in 1921 changed its tax rules to provide that persons assessed less than $300 on personal property must pay the full poll tax of $10, city officials neglected to put the new provision in force and continued to charge $6. Mayor McConnell discovered the error a few days ago, but meanwhile the city has lost $40,000 in back taxes which can never be recovered.

SCARBORO' FINANCES SATISFACTORY

According to the annual report of the township of Scarboro' which has just been made public, the finances are in excellent condition. The growth of the township is marked by the payment of close to $100,000 for local improvements and capital construction. Debenture proceeds covered the following: Hydro $87,727; high school $41,114; public schools, $90,019; county tax rate $32,793; debenture account $133,497.

OAKVILLE TAX RATE

The estimates for the coming year will be presented and a tax rate struck at the next meeting of the Oakville town council. It is stated that the committee propose to recommend that the first instalment of taxes be collected in August and the second at the end of the year. Arrears of taxes have been reduced from $23,000 to $16,000 since the beginning of the year. It was recommended that a trust fund be established to take care of arrears in taxes.

OTTAWA LOWERS RATE

At a recent meeting of the board of control of the city of Ottawa it was decided to lower the interest rate on the next issue of city debentures from 5½ per cent. to 5 per cent. The change is the result of a feeling on the part of the board that the policy of selling 5½ per cent. debentures at a premium was unfair to the taxpayers as a whole. It was announced that the next issue would be made about the end of the month when approximately $2,000,000 would be required for civic purposes.

Tenders and By-laws

TENDERS WANTED

July 22, Halifax.—$120,000, 5%, 30-yr. debs.; $34,487, 5%, 4-yr., instal. debs.; $68,000, 5%, 5-yr. instal. James T. Hopewell, City Treas. (See announcement on page 16).

July 28, Tisdale Township.—$95,500, 6%, 15 and 20 yr. debentures. Frank C. Evans, Treas. Township of Tisdale. (See announcement on page 16).

Aug. 11, St. Anne de Bellevue.—$35,000, 5½% serial bonds, due 1925-49.

BRITISH COLUMBIA—

The following certificates have been issued by the municipal department of the Province of British Columbia upon the following dates:

April 28—Kamloops, $3,800, twenty years, 5½ per cent. May 8—District of Coldstream, $12,000, fifteen years, 5½ per cent. May 8—Salmon Arm, $15,000, ten years, 6 per cent. May 14—District of Surrey, $951, five years, 6 per cent. May 19—District of Coldstream, $3,500, ten years, 5½ per cent. May 22—District of Oak Bay, $1,986, ten years, 5½ per cent. May 28—North Vancouver, $22,219, ten years, 6 per cent. May 28—North Vancouver, $12,533, ten years, 6 per cent. June 26—Enderby, $2,000, fifteen years, 6 per cent. June 30—Victoria, $665,000, twenty years, 5 per cent. July 4—Rossland, $5,000, ten years, 6 per cent.

THOROUGH STUDY SHOULD PRECEDE PENSION FUND

Bureau of Municipal Research Stresses Advisability of Survey

In a pamphlet recently issued by the Toronto Bureau of Municipal Research, of which Dr. Horace L. Brittain is managing director, the advantages arising out of the establishment of a civic pension fund are clearly and forcefully set down. The writer makes clear at the outset that it is not a question of placing civic employees in a preferred position, but simply a matter of business foresight. The question will be taken up by the city council shortly.

The pension schemes are aimed against such abuses as indiscriminate distribution of pensions, retention of incapables, and the presence on civic staffs of those who are unable or unwilling to give a day's work for a day's pay. It is pointed out that anything that would prevent these three expensive abuses would relieve the tax payer of an unnecessary burden.

In paving the way for a pension fund the pamphlet emphasizes the necessity of making a thorough survey, at first, of the entire civic service. This would lead to a more scientific classification of the service which could be kept up to date yearly, as well as acquainting the general public with the increasing number of civic servants in relation to the total population.

With regard to the raising of such a fund, the writer of the pamphlet makes the following comment:

The bureau has been told that there is no hope of a preliminary administrative survey and that the only thing to do is to get the best pension scheme practically possible. The bureau hesitates to take such a pessimistic attitude and on the practical basis (1) that a large proportion, perhaps even a majority of the civic employees, believe that such a survey would be in their interests as well as of the city of which they are as loyal citizens as other classes of taxpayers, and (2) that taxpayers not on the payroll still far outnumber those in the civic employ, directly and indirectly, and, therefore, presumably control more votes. It is true that probably a higher percentage of civic employees than of the body as a whole, exercise the franchise. Even if it were true that the majority of civic employees favor the establishment of a fund previous to a survey, which the bureau greatly doubts, their vote is, as yet, only a comparatively small fraction of the total possible vote. If other citizens do not make their influence felt through the ballot, the taxpayers, both voting and non-voting, will have to put up with the consequences, whatever they may be.

In conclusion, the bureau again requests that before any contributory civic pension fund is established a thorough detailed study—such as the city council proposed in 1923—be made of the civic service.

The Week's Bond Sales

BEAUHARNOIS ISSUE

L. G. Beaubien & Co., Montreal, have been awarded $100,000 issue of 5 per cent. serial bonds, 1925-1964 of Beauharnois, Que., at 99.35. The tenders:

L. G. Beaubien & Co.	99.35
A. E. Ames & Co.	98.83

MAGOG DEBENTURES

City of Magog sold Credit Anglos Francais a $15,000 issue of 5 per cent. bonds at 99.263. The tenders were:

Credit Anglois Francais	99.263
L. G. Beaubien & Co.	99.11
Corp. des Obligations Municipales	98.59
McKenzie and Kingman	98.529
Rene G. Leclerc, Inc.	98.25
Hanson Bros.	98.21
Mead & Co.	98.19
A. E. Ames & Co.	98.13
Dominion Securities Corp.	98.071
Versailles, Vidricaire and Boulais	98.01

NEW BRUNSWICK BONDS

A. E. Ames & Co. with a bid of 100.529 were the successful tenderers for the issue of $1,161,000, ten-year, 5 per cent. bonds of province of New Brunswick. They are payable in Canada and New York and the yield is 4.95 per cent. Alternate bids, 10 year payable in U. S. and 20 year payable in Canada, were asked. The highest tender for payment only in Canada was by a syndicate composed of Wood, Gundy & Co., Eastern Securities Co. and Royal Bank, 99.208, to yield 5.07 per cent. The funds raised by the issue will be spent as follows: good roads, $500,000; permanent bridges, $400,000 and $261,000 interest funding St. John and Quebec Ry. The bids:

	10 yrs. payable in N. Y.	20 yrs. payable in Canada
A. E. Ames & Co.	100.529	99.19
Bank Montreal	100.398	.....
Wood, Gundy & Co.	100.208	99.208
McDonagh, Somers & Co.	99.66	.....
Dom. Securities Corp.	99.377	98.69
MacNeill, Graham & Co., C. H. Burgess & Co., and Murray & Co.	99.257	98.823
Gairdner, Clark & Co.	98.248	99.17
McLeod, Young, Weir	90.06	98.39
R. A. Daly & Co., Matthews & Co., Hanson Bros., Harris, Forbes & Co., Inc.	....	98.94
R. A. Daly & Co., Hanson Bros., E. H. Rollins & Co.	99.34	....

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES.

Date—	Place—	Sold To—	Rate	Term	Amount	Price	Basis
July	—Magog, Que.	Credit Anglois Francais	5%	..	$ 15,000	99.263	....
July 9	—Shawinigan Falls	Wood, Gundy & Co., Toronto	5½%	30-ins.	100,000	100.94	5.41
July	—Portage la Prairie	E. G. Read & Co.	6%	20-ins.	20,000	98.90	6.12
July	—Kenora	C. H. Burgess & Co., Toronto	5½-6%	20 & 30-yr.	31,687	97.34	....
July 7	—County of Cape Breton	H. M. Bradford	5%	30-yr.	50,000	97.71	....
July 15	—Beauharnois, Que.	L. G. Beaubien & Co.	6½%	..	100,000	99.35	....
		PROVINCIAL					
July 15	—New Brunswick	A. E. Ames & Co., Toronto	5%	10-yr.	1,161,000	100.529	....
		CORPORATION					
July	—Hosiers, Ltd.	Campbell, Thompson & Co.	7%	20-yr.	100,000	100.	....
July	—Border Cities Co.	L. M. Green & Co., Toronto	7%	1927-34	500,000	100.	....
July	—St. Regis Paper Co.	E. H. Rollins & Sons, and F. L. Carlisle Co.	6½%	1929-34	500,000	....	....

Promise and fulfillment

A Bond is a promise to pay interest regularly and return principal at maturity. Whether or not that promise will be fulfilled depends on the value and efficient operation of properties, past earnings and prospects for the future, titles and franchises and a good many other considerations.

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Over 22 years Investment experience.

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Incorporated
Montreal:- 160, St. James St.
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(ESTABLISHED 1901)
E120

GUARANTEED
First Mortgage Bond
7%
plus generous Bonus of Common Stock

WE OFFER a short-term First Mortgage Bond which gives a very attractive yield and is at the same time amply secured.

Full particulars will be gladly furnished on request. Write to-day.

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Address ....

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GOVERNMENT, MUNICIPAL, AND RAILWAY BONDS
EST'D. LIMITED

G.C. SMITH & COMPANY
LIMITED
Investment Bankers
17 St. John St. Montreal
PHONE · MAIN · 412

The province of Quebec has again closed its fiscal year with a surplus in excess of one million dollars, according to an announcement just made by Premier Taschereau, who is acting in the capacity of provincial treasurer.

THE MONARCH LIFE
IS A
GOOD COMPANY
Provincial Offices: Toronto, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Vancouver, Victoria.

SECURITY
The Mutual Life Assurance Company of Canada, a purely mutual company with a Dominion charter and an absolutely stainless record reaching back over fifty-four years, has a special claim on the confidence of the people of this country. In addition to paying highly satisfactory dividends from year to year, the Mutual has continued to strengthen its financial position so as to provide against every possible contingency. According to the Dominion Government standard of solvency, the Mutual of Canada could pay all its claims, based on the latest mortality tables, and still have nearly ten million dollars of surplus funds.
Business in force, $269,982,566.
THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA
Waterloo - - Ontario

The Cumulative Good Will of Nearly 70 Years
is one reason why each year adds its quota to the many thousands who avail themselves of Canada Permanent Safety and Canada Permanent Service.
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CANADA PERMANENT MORTGAGE CORPORATION
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The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
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G. E. BAILEY, Secretary
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G. R. COTTRELLE, Treasurer

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Our Tourists' Floater policies indemnify for loss or damage to personal effects from the risks of Fire, Navigation, Transportation, Pilferage and Theft. Claims may be presented to any of our many foreign Settling Agents whose names are shown on the policy.
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ASSURANCE COMPANY
Head Office: Toronto

Protection with Profit
Profits Reduce
Twenty Payments to Fourteen
Policy 43485, issued in 1909, called for 20 premiums, but Great-West profits reduced this to 14 premiums.
Amount: $7452 Premium $ 246.70
Earnings credited 1914 197.85
Earnings credited 1919 353.40
Earnings credited 1923 557.45
Total end of 14th year 1108.70
Required to pay future premiums 1046.70
Cash Surplus to Assured $ 62.00
Although no further premiums are to be paid, the policy will continue to participate in profits.
The Great-West Life Assurance Company
Head Office - Winnipeg

that Boy of yours
An Imperial Endowment will give him a proper start in life—whether you live or die.
The IMPERIAL LIFE ASSURANCE CO. OF CANADA
HEAD OFFICE TORONTO

HANDLE STEEL CONCERNS

Buffalo and Toronto Men Named Managers for United States and Canada

W. M. Wilkins, Buffalo, and John G. Gowans, Toronto, president and vice-president respectively of Steel's Consolidated, are to be heads of the firm in the United States, and Canada, which has taken over the management of the old Steel enterprises. A board of directors is to be named from among the 30,000 shareholders who put up the money to take the assets out of the receivers' hands.

IDLE FARM LANDS

(Hamilton Spectator)

A disquieting report comes of large areas of unoccupied farm lands in western Ontario, representing, according to one estimate, one-sixteenth of the cleared land in the fourteen counties affected. It is proposed to call a conference to consider what can be done to put these valuable lands under cultivation, the chambers of commerce and municipal councils having collected a large amount of data which bear out the contention that the number of agriculturists is steadily decreasing and the amount of idle land increasing in these districts.

It is universally recognized that the way of advance for practically all forms of human industry lies through scientific study and research. Back of the man of action is the thinker, without whose contribution it would be impossible to make progress. New labor-saving methods, improved machinery, elimination of waste, greater efficiency, the turning to valuable uses of by-products formerly discarded, epoch-making discoveries which completely revolutionize and supersede time-honored practices—these are the outcome of thought and experiment in the laboratory. The debt owing to the men of science is incalculable; more and more the world is coming to rely upon them for increase of comfort and opportunity, and, indeed, for actual survival in the artificial conditions under which large communities live in these modern days.

$1750
Well-timbered building lot, convenient to Yonge Street on paved road.
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Insurance for Buyer and Seller

SECURES PAYMENT OF CLAIM WITHOUT A WRITTEN NOTICE

Court Holds Company Acquiesced in Sufficiency of Personal Call

A number of interesting points in connection with the notice which must be given an automobile insurance company by the owner of the insured car in case of loss or damage were discussed and decided in the Court of Appeals in Montreal recently. The case was an appeal of Raoul Aubertin against the findings of the Superior Court, which refused to give effect to an insurance policy issued by the Northern Assurance Company. The policy insured the appellant's automobile against theft. The appeal to recover the value of the car from the insurance company was upheld, and the plaintiff was awarded $2,500 and costs.

The dispute arose out of a clause, which was included in the policy, stating that the owner of the insured automobile must notify the insurance company in writing of the loss or damage with the known circumstances as soon as possible after he learns of the theft. Aubertin did not give the insurers immediate notice in writing of the loss, but, as pointed out by Mr. Justice Howard, he did notify them at the earliest opportunity by calling at their office on the morning following the disappearance of the car. Also, when the owner learned during the course of the same day what had become of it he immediately advised the company by telephone. On this question it was also stated by the court that when the appellant called at the company's office to inform them of the theft of the machine he asked whether there was anything to sign, and he was told that there was not.

Pursuant to the notice, the company located the car, which had been wrecked, took possession of it, and entered into negotiations with the appellant for the settlement of his claim. It was only some two weeks afterward, when they had failed to come to an agreement, that the company asked the appellant for formal proofs of loss. Aubertin complied with this request, and the respondents received the proofs without objection.

The court held that under such circumstances an insurer should be held to have acquiesced in the notice given, and to have waived its right to a written notice under a stipulation in the policy.

The Court also dismissed the plea of the insurance company that the action was premature.

The company claimed that the plaintiff, Aubertin, was bound to submit his claim to arbitration, or at least to put the insurers in default to arbitrate, before instituting a suit. This plea was dismissed as being unfounded in law, because the provisions of the policy as to arbitration came into effect only in case of a disagreement as to the amount of the loss. But before determining the amount of the loss by arbitration, it was necessary to establish liability, it was held. Since the insurers denied liability, the action to decide the question could not be premature.

One in Eight Accident Policies Become Claims

The need for accident insurance is emphasized in a recent issue of "Protection," the agency bulletin of the Travelers Insurance Company of Hartford. The bulletin says:

"A passenger on the Leviathan is safer than a pedestrian on the city streets.

"Thanks to her strong construction, her weathertight bulkheads, her powerful radio equipment, the possibility of a serious accident to this great liner is very remote.

"Nevertheless, occupying valuable space on her upper decks, are a sufficient number of life-boats to accommodate every member of her passenger list and crew."

In view of this expense to provide against a remote contingency, should men not provide against accidents through accident insurance? The Travelers reports that one out of every eight holders of accident policies receives benefits under them each year.

Non-Forfeiture Clause Kept Policy in Force

The benefits of the non-forfeiture privilege in a life insurance policy could not be more vividly illustrated than in the experience of the beneficiary under a policy referred to by the Mutual Life Assurance Company of Canada and its agency bulletin. This policy was payable to the assured's estate. After the payment of four premiums the remittances ceased and the policy went under non-forfeiture and was kept in force for eight years. The reserve and accumulated dividends kept the policy in force (probably unknown to the assured) until his death January 12 last. In the meantime the policyholder had married—his other policies being payable to his wife. It it possible that this caused the assured to neglect the policy payable to his estate. But the policy hung on in spite of his neglect and increased the funds available at his death by $1,603.

Canadian Fire Making Changes in Directorate

At a recent meeting of directors of the Canadian Fire Insurance Company, R. T. Riley, vice-president, and founder of and organizer of the company, was elected president, succeeding the late J. H. Ashdown.

During the thirty years of his association with the direction of its affairs, Mr. Riley has seen the Canadian Fire grow to be one of the largest and most successful Canadian fire insurance companies, with 1,200 agences stretching from coast to coast.

George R. Crowe, prominent grain merchant, of Winnipeg, and one of the company's original directors, has been elected vice-president, and R. R. Wilson, vice-president of the well-known wholesale grocery firm of Campbell Bros. & Wilson, Ltd., has been appointed a director to fill the vacancy on the board.

WILL FRATERNALS DEVELOP LARGE SELLING FORCES?

Move to Create Interest in the Growth of Societies

The present year will practically see the completion of the readjustment of fraternal insurance societies in Canada to an actuarial basis, and life insurance men are wondering if recent changes indicate the beginning of a new period of development for these societies. The difficulties which the fraternal organizations have met, due to their failure to build up reserves on each policy in the early years to provide for the heavier claims when the members of a group are older and death claims more frequent, have led many to believe that such organizations are dying out. That such a course will be followed is not at all certain. In fact the history of one society in Canada, the Independent Order of Foresters, which took an early lead in bringing about the change to a sound basis of operation, has shown the possibilities of rapid growth. Having overcome the many difficulties in the way of the changes, the executives of the societies have felt the spur to greater expansion. An effort at co-operation in stimulating an interest in fraternals has followed and it is understood that a fraternal paper will be issued shortly in Canada.

Need Salesmen

The exact form which campaigns for new members should take is subject to a variation of opinion. The failures of attempts to secure members through the solicitation of present ordinary members has lead to investigation of the situation. J. G. Ray, head clerk of the Modern Woodmen of the World, states that all the new members were secured from 53 per cent. of the camps in 1923, and that probably less than 3 per cent. of these came from camps which do not have a soliciting deputy. These deputies are salesmen, selling the attractiveness of the Order and insurance to those who are not members. In commenting on the change the Fraternal Monitor says:

"Salesmen for fraternal insurance societies are an important factor in present day operation. They are the greatest essential in growth. They will be given more attention as time goes on. Schools for salesmen, books and literature for salesmen, dependable statistics for salesmen, attractive canvassing leaflets for salesmen, inspiration and guidance from the home office for salesmen, all become factors of operation in the new age of fraternal insurance which is just beginning. This means that better salesmen will be required, and better salesmen will receive larger commissions than they received in the join-the-lodge period."

Fraternal executives have witnessed the remarkable growth of life insurance effected by the regular life insurance companies under a system of intensive selling. The adoption of such methods may mean a new growth for the societies as any friction due to the adjustments dies out.

Origin of Many Fires Remains Undetermined

In commenting on the annual report of the Ontario fire marshal, E. P. Heaton, the Federal Magnet says:

"The losses as a whole increased from 15½ millions in 1922 to 18 millions in 1923, if the great Northern Ontario fire of 1922 be omitted from our calculations. It must be admitted that hopes that the peak had been reached in 1922 were not realized. The early months of the present year encourage us to believe that the peak has now been passed.

"Of the increase of 2½ millions, 1¾ millions may be credited to the cities of London, Hamilton and Toronto. The losses of the four largest cities increased from 3¼ millions in 1922 to 5 millions in 1923. Toronto and Hamilton are responsible mostly for this increase, and Ottawa not at all, for the losses in the capital city in 1923 were $28,000 less than in 1922.

"The most interesting table in the report is the analysis of causes of fire. It must be a matter of deep regret that one-half the property destroyed by fire in 1923 was from fires of undetermined origin. Indeed, losses whose origin could not be established were eight times those caused by stoves, furnaces, boilers and their pipes, which stand on the list as the greatest known cause of fire."

The most frequent cause of fire centres around heating, and the losses in this respect have tended to increase on account of the use of substitutes for hard coal. The report points to the evident value of lightning rods, as the loss on buildings equipped with these was only $30,534 in the province as compared with $1,267,597 on unequipped buildings.

LOANS ON POLICY INVOLVE INSURED IN DIFFICULTIES

Claim Only Applies in Case of Total Disability

"I am disabled and had hoped to get disability benefits under two policies for $10,000 each, but they have refused granting disability benefits or waiving premiums, although I have forwarded medical letters from doctors who have attended me." This is from a letter to THE FINANCIAL POST from a reader in Nova Scotia, which at once illustrates the value the disability clause, the possible openings for disputed claims and the danger of securing loans against life insurance policies.

The circumstances, as revealed in the letter, are unfortunate. The insured was formerly in comfortable circumstances. Realizing the value of life insurance he was a heavy purchaser of it, from three well known and reliable companies. In one case the profits were used to reduce the premiums, while in another the cash profits were taken at the distribution periods every five years. Two policies in one company for $10,000 each and one for $2,500 in another company have a disability clause providing for the waiver of all future premiums and the payment of a stated sum monthly in case of total and permanent disability. The insured has borrowed against the policies, the amount of the loans now being nearly $1,900. There are now accumulated profits to the credit of the policies of approximately $1,400. The insured, states that he has not been working for several months on account of the disability and finds difficulty in adhering to his original intention of fully protecting his wife and family.

Loans Are Dangerous

The aim of the reader to secure those dependent on him against the loss of an adequate income in case of his early death is to be commended, but the extent of the loans which have piled up against the policies give ground for the opinion that he placed a larger proportion of his income in insurance than was justified. The loan clauses are placed in life policies only with the intention that they may be resorted to in case of special need. To secure large policies with the definite intention of borrowing on them frequently can scarcely be justified and is not encouraged by the companies. The experience of years has shown that only a small proportion of loans are paid off and in many cases the contracting of a loan is merely the first step in letting the policy lapse. Moreover the object of the insurance to provide funds when other sources fail is neglected, as the time when the loan exists may be the time when the full face value of the policy may be needed by the beneficiary, where the insured has died.

It does not follow, of course, that the inability to meet the premiums at present proves that the original amount of insurance was too high. To the family whose income is derived largely from the earnings of one or more members, the danger that this will be cut off through disability as well as death is ever present. It is in anticipation of this that the disability clause is devised and recommended. Since the introduction of the clause into policies issued in Canada the number of claims has shown the need for it. One point is sometimes overlooked and leads to misunderstanding. The clause commonly in use provides only for its operation in cases where the insured is totally disabled. This opens the way for disagreement as to when such a condition exists. However, in practice the companies usually construe this clause liberally and it is seldom they refuse to pay a claim unless they have excellent grounds for such action. The policy clearly states that the disability must prevent the insured from engaging in any gainful occupation to give effect to a claim, and the extra premium charged for it is in accordance with this. It is true this leaves a professional man in the position that he may be unable to carry on his regular vocation but still be able to work in some other way. In such a case his remuneration might be cut to a fraction of the former amount but no claim could be made under the policy. No attempt has been made to issue policies indemnifying against being unable to pursue a regular vocation on account of disability, as the extra premium for this would be substantial. The clause is only intended to cover the cases where the entire earning power is cut off. The clause has met with favor on the part of many policy-holders but care should be exercised by insurance men in explaining the exact extent of the protection.

VISITS HEAD OFFICE

George A. Morson, resident director of the Crown Life Insurance Company for Cuba, is visiting in Toronto. Mr. Morson is ex-general manager of the United Railways of Cuba and consequently is closely in touch with conditions there. He reports business good in the far south at the present time. He is a brother of W. R. Morson, who is also a director of the Crown Life. This company has been extending its field force and recently entered Cuba. A special campaign is being put on in July in honor of the president, G. F. Somers.

INSURANCE LICENSE

A license has been issued by the Department of Insurance, Ottawa, to the World Fire and Marine Insurance Company, authorizing it to transact in Canada the business of fire insurance, tornado insurance, sprinkler leakage insurance and insurance against damage to property of any kind caused by the explosion of natural or other gas.

A. M. M. Kirkpatrick, Toronto, Ont., has been appointed chief agent in Canada.

Originated in Cairo---Now smoked the world over.
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Melachrino
CIGARETTES
The One Cigarette Sold the World Over
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CANADA NATIONAL FIRE
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TORONTO, 24 Adelaide St. W.
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CANNOT BE ANY CHANGE IN OPINION RE G. T. ISSUES

English Press Misinterpreting Statement of Minister as to Future Outlook

COMMON NEVER PAID

During Much More Favorable Conditions Shareholders Did Not Benefit Though Shares Are Many Years Old

Some of the English papers lean to the belief that the Government at Ottawa has changed its opinion in regard to the value of the Grand Trunk junior securities. They are buoying up their readers and leaving the impression that ultimately these securities may bring some return.

The Stock Exchange Gazette recently said:

> "Taking this optimistic statement side by side with the fact that the Grand Trunk system was able to earn one per cent. on its most junior charge to the public, although the entire system made a deficit of over $52,779,000, it will be noted that the Government's views of the outlook have altered very considerably since the comparatively recent date when it was decided that £37,000,000 of Grand Trunk preference and ordinary stocks were valueless. It is a very great pity that this optimistic vision did not begin to develop two or three years ago, before the Grand Trunk property had been surrendered."

After making a careful study of the above situation at Ottawa, THE FINANCIAL POST'S representative writes of the above:

There is not the slightest ground for thinking that G. T. common will have any value. It must be borne in mind that under much more favorable operating conditions than exist to-day, it never paid a dividend, and that during a period of 70 years. It is impossible to express as positive an opinion respecting the preference stocks, but from present indications it will take some time for them to become earners. It should be taken into account that the one per cent. in the Grand Trunk's junior charges was declared because the Government having taken over the road, the Grand Trunk's liability for the G. T. P. was not taken into account. But the award of the arbitrators was made on the assumption that the Grand Trunk could not rightly be relieved of this, and it is difficult to see how any other opinion could have been arrived at. If the Government had not taken over the system in 1920 the Grand Trunk would have gone into the hands of a receiver, and certainly these junior stocks would then have had no value. The fact that something was paid last year was due solely to the fact that the Government kept the Grand Trunk going, for it certainly could not of itself have raised the necessary money. It must also be taken into account that the Grank Trunk is still liable for the Grand Trunk Pacific to the extent that the receiver has had to raise money to keep that road going, and this has run into millions.

The Grand Trunk also made a showing last year that it will not equal this year. American traffic has greatly fallen off, and there will not be much of a revival in this respect during 1924. Besides, even if the Canadian National should, within a few years, meet all its fixed charges due to the public, that would not take into account the charges due to the Government, which are even greater. Moreover the opinion that charges due to the public will all be met within a few years, is based pretty much on the view that they will remain practically stationary. But they will not do so. These charges will now grow more rapidly than they have done in the last year or two, for the reason that the system is now financing through the sale of its own securities.

The Government did not decide the question of the value of these securities. Moreover, insofar as the G. T. R. common is concerned, there is very little use of the English press discussing the question, for this stock has been wiped out completely, the settlement having made on that basis. Both preference and common were by order-in-council of Jan. 1, 1923, vested in the minister of finance, hence they could not have figured in the minister's calculations in the statement made and which is now being misinterpreted by the English press.

GET PULPWOOD FROM SOVIET'S ESTATES?

This Interesting Possibility Being Discussed Across Border —Or is it Propaganda?

From Our Own Correspondent.

MONTREAL.—Some time ago a report came to Canada that a boat load of Russian pulpwood had been landed in New York and sold at $13 a cord to American paper manufacturers. This threw quite a scare into some Canadian pulp and paper people, for even mills in the north of Canada find it difficult to lay down wood at their mill, close as they are to their forests, at anywhere near $13 a cord. If American mills were to be able to buy Russian pulpwood for $13 a cord, it might make competition with Canadian pulp and paper mills a very serious factor.

THE FINANCIAL POST endeavored in various ways to trace this rumor to its lair but has never been able to get any official confirmation that this wood was actually sold. Some of the largest American paper manufacturers had heard the story and had tried to buy some of the wood but had never been able to locate it. It is certain that if any did come, the quantity was very limited.

The story suggests, however, a study of the possibilities of Russian wood coming to the United States or Canada at such a low cost. One New York paper man stated to THE POST the other day that he felt it was quite possible that within the next few years wood from Russian forests might be laid down at small cost in the United States. This would be possible if the Soviet Government, which has expropriated trust lands were to grant concessions to cut wood at a nominal charge. If the government were to sell this wood, for instance, at $3 a cord, another $3 were to be paid to take it to the Russian sea board, $3 were added to carry it across the ocean, and $3 were allowed for rossing—that is, stripping the bark—it is possible that the pulpwood could be sold at a profit to American mills, and at much less than they can buy wood to-day. This is, of course, speculative only, but will be an interesting situation to watch.

It is possible that the original story was circulated as propaganda against the Canadian pulpwood embargo. It may have been the idea of some one to indicate to Canadians that Americans could get wood in any event even if the Canadian supply were cut off.

Theodore Vail on Investing

By JOHN K. BARNES, in Century Magazine.

I once talked with the late Theodore N. Vail on the subject of investment. He was then president of the American Telephone and Telegraph Company and among leading bankers he enjoyed the enviable reputation of being one of the best authorities in the country on financial matters. It was largely his genius in this field that was back of the highly successful financing of the American Telephone and Telegraph Company during the many years that he was its head.

On the other hand, Mr. Vail had ample knowledge and experience on the speculative or venturesome side of investment matters. He probably had more new schemes and inventions presented for his consideration than any other one man in the country. He acknowledged to me that he himself had lost money in such ventures and that he knew of many instances where able business men had thus lost money. His views in regard to such ventures he summed up as follows:

"It is not the original plan or invention that makes the success of such an enterprise as much as it is future improvements and developments, and above all, the commercial management of the enterprise. Only those who can afford to lose money should go into new ventures, for out of every ten that are started only one succeeds."

His views on investing money were more objective than subjective. His great energies were mostly employed in fields where he himself was an active guiding force. He was a builder more interested in development than in making money for himself. His energies were all directed along constructive lines and whatever financial success he had came from the creation of something of benefit or advantage to the community. His theory was that if one plays a constructive part in this world and creates something of advantage to the community, he need not worry about where he will come in.

Because of Mr. Vail's experience and his objective viewpoint, he held the clearest and most practical views regarding investment matters that I have ever listened to. For the individual investor his advice could hardly be improved upon. His analysis of the investment problem and its application to the individual was in these words:

"Analysis of investment discloses three very distinct groups, which may be designated (1) Safety and Security; (2) Venture; (3) Speculation. These groups are separated by a borderland in which particular items lose more or less or take on the charactertistics of the different groups."

Regarding these characteristics and the considerations that should govern those employing funds in the different groups, Mr. Vail said:

"Speculation for immediate gain is gambling, pure and simple, and sooner or later brings to grief all who continue in it. There are exceptional cases of those making one or two successes and dropping out, or those who have died at the peak of prosperity, but these instances only demonstrate the rule.

"Speculation which is investment against future growth or development and is represented by outright purchase is venture, and to it should be applied all the rules of venture.

"The field of Venture is that of development, growth, and increase in all that is essential to our social and economic betterment. Venture is legitimate and commendable. It includes not only the introduction of the new but the development of the old by the introduction of new methods, which improve products and eliminate waste in material or effort.

"Venture should only be entered into by those who can afford to risk a part of their capital and then only not more than can be lost without disaster; it should never be done on credit. It is naturally a field of uncertainty, but it is also the field most exploited by the get-rich-quick promoter, who uses historical success as his bait. The potentialities of the field to be covered by the venture, the personality of the promoters and managers, should be known. Beware of any venture in which your capital only is used in the purchase of the prospective profits of promoters. You must take a risk, but see to it that they also have an interest in prospective profits.

"The best judgment, the most experienced men, are apt to go astray in ventures. It is therefore hard to define just what course to pursue in determining what ones are likely to be successful. Every successful venture or enterprise centres around a small group of men, or one man who surrounds himself with a small group of men of initiative, enthusiasm, activity, good sense, and honesty. Every failure has been caused, when not by dishonesty, by lack of judgment, inefficiency, neglect in those in whom confidence was placed. Every one of the so-called wrecks of well established enterprises can be directly traced to absolute confidence in the personality at the head. Above all, beware of unknown, plausible promoters, prospectuses and advertisements. Remember that confidence can only be betrayed by those who first win your confidence, never by those who don't.

"Safety and Security is based on stability, certainty and permanence of both capital and income. The income varies, not always because of the confidence established and the prevailing fashion in investments, but also because of the qualifications as legal investments for trustees and saving banks.

"This class is the only investment for those who are dependent on their capital, who are not earning or accumulating and who cannot afford to lose any part of their capital. These investments should be made only upon a thorough knowledge and investigation, and, as such individuals cannot possibly make such investigation, should only be bought through sound banking and brokerage houses of long standing and high credit, whose business it is and who have all the facilities for investigation."

Half Year Building Figures Show a Material Decline

Half year building permits show the east still falling behind with the loss, as compared with 1923 figures, partially offset by a fairly substantial advance in Western Canada, a condition that has been well maintained in that section. Building throughout the Dominion started off well at the first of the year, but after a couple of months the volume of contemplated work began to fall off until the 1923 total was well in the lead. June was typical of the past few months, showing a falling off in the east of close to $2,000,000, while in the West there was an advance of $1,000,000.

In the Maritimes, Halifax bettered its 1923 position by $342,000, while three other Maritime cities show a decline which cuts off half the Halifax total. Three Quebec cities show an advance, but the fourth, Montreal, with a $4,000,000 decline, leaves that province materially behind 1923. Seven of 22 Ontario cities showed advances, none of any material size, and more than offset by the loss of Toronto alone, which is over $7,000,000. The decline of 30 eastern cities for the six months is $14,000,000.

Winnipeg's experience is the same as the large eastern cities, a decline in building. St. Boniface is a little better. Edmonton shows a sharp advance for the six months, but this is due to work undertaken earlier in the year. Moose Jaw and Saskatoon are standing well, with Regina and Prince Albert down. Vancouver leads the West with a total just under $2,000,000. Seventeen western cities show a gain of just under $3,000,000, leaving 47 cities of the Dominion $11,000,000 behind the 1923 total for the six-month period, the figures being: 1923, $62,581,000; 1924, $511,567,000.

The figures:

Eastern Cities

				— 6 months —		
	June, 1924	June, 1923	Change	1924	1923	Change
Maritimes—						
Halifax	$ 193,335	$ 38,315+	$ 155,020	$ 509,802	$ 167,532+	$ 342,270
Moncton	2,510	65,591—	63,081	59,489	153,341—	93,852
St. John	101,500	83,900+	17,600	221,950	237,200—	15,250
Sydney	11,285	103,657—	92,372	90,627	161,807—	71,180
Quebec—						
Montreal	2,195,340	2,230,820—	35,480	11,248,115	15,470,127—	4,222,012
Quebec	1,601,118	1,220,439+	380,679	3,201,395	2,304,678+	896,717
Sherbrooke	40,400	128,500—	88,100	383,578	359,800+	23,778
Westmount	318,741	248,391+	70,350	1,086,016	963,416+	122,600
Ontario—						
Brantford	66,177	128,745—	62,568	131,718	351,135—	219,417
Chatham	50,200	45,050+	5,150	125,670	126,020—	350
Ft. William	102,850	61,900+	40,950	450,370	924,375—	474,005
Galt	29,925	16,775+	13,150	72,712	77,621—	4,909
Hamilton	210,925	343,445—	132,520	1,855,625	2,634,410—	778,785
London	188,855	566,035—	377,180	1,156,860	1,884,925—	728,065
Kingston	50,037	36,832+	13,205	737,333	523,525+	213,808
Kitchener	242,357	262,258—	19,901	722,268	1,030,212—	307,944
Oshawa	47,160	443,690—	396,530	415,990	460,150—	44,160
Ottawa	377,250	309,360+	67,890	1,238,720	1,609,702—	370,982
Peterbor'gh	74,798	53,127+	21,671	176,295	153,438+	22,857
Port Arthur	17,966	85,590—	67,624	1,109,397	2,207,019—	1,097,622
Sarnia	157,750	53,125+	104,625	436,088	373,257+	62,831
S. S. Marie	75,073	64,710+	10,263	194,907	183,945+	10,962
Smiths Falls	5,125	1,335+	3,790	48,455	29,785+	19,270
St. Cathar's	199,745	52,505+	147,240	443,484	354,062+	89,422
St. Thomas	17,015	181,925—	164,910	105,086	259,751—	154,665
Stratford	46,870	55,455—	8,585	382,976	261,962+	121,014
Toronto	2,405,795	4,032,530—	1,626,735	11,007,603	18,016,857—	7,009,254
Welland	12,275	1,325+	10,950	71,770	102,045—	30,275
Windsor	534,717	311,705+	223,012	2,413,763	2,706,665—	292,902
Woodstock	35,822	21,761+	14,061	147,342	169,396—	22,054
Total 30 E. cit.	$9,412,916	$11,248,896—	$1,835,980	$40,245,404	$54,257,558—	$14,012,154
York Twp.	409,700	....	....	2,136,200	....	....
Western Cities						
Manitoba—						
Brandon	$ 171,650	$ 23,469+	$ 148,181	$ 38,903	$ 56,462—	$ 17,559
St. Boniface	105,655	43,988+	61,667	241,750	170,068+	71,682
Winnipeg	424,106	627,600—	203,500	1,770,000	2,104,500—	334,500
Alberta—						
Calgary	90,890	108,200—	17,310	505,230	555,960—	50,730
Edmonton	113,425	137,305—	23,880	1,798,890	627,840+	1,171,050
Lethbridge	19,140	10,800+	8,340	77,282	93,900—	16,618
Med. Hat	14,850	2,400+	12,450	95,572	12,265+	83,307
Saskatchewan—						
Moose Jaw	52,555	7,970+	44,585	379,031	128,676+	250,355
Prince Albert	1,025	4,300—	3,275	45,211	207,740—	162,529
Regina	205,710	221,990—	16,280	571,905	794,480—	222,575
Saskatoon	208,808	172,725+	36,083	905,395	547,438+	357,957
Weyburn	750	1,180—	430	750	10,605—	9,855
British Columbia—						
Kamloops	*24,506	*15,785+	8,811	115,382	63,020+	52,362
Nanaimo	9,500	11,150—	1,650	42,295	93,293—	50,998
N. W'minster	21,380	97,805—	76,425	181,820	204,733—	22,913
Vancouver	1,200,310	232,830+	967,480	4,137,261	2,230,159+	1,907,102
Victoria	148,368	42,960+	105,408	415,438	423,145—	7,707
T. 17 W. cit.	$2,812,712	$ 1,762,457+	$1,050,255	$11,322,115	$ 8,324,284+	$ 2,997,831
G. T. 47 cit.	$12,225,628	$13,011,353—	$ 785,725	$51,567,519	$62,581,842—	$11,014,323

* May and June.

TIRE WAR ON, SAY DEALERS AFTER PRICE CUT OF 10%

Big Producers Announce Reduction in Ordinary and All Cord Lines

What tire dealers say is the first gun in a war against the small tire producers was launched recently throughout Canada when the large operators announced a reduction of 10 per cent in tire prices. The big companies are at present pushing the new balloon and balloon-type tires. Few of the smaller companies have gone in for these tires. It is on the competitive lines, fabrics and cords, that the price cut has been put into effect. Dealers express the opinion that there are five big companies behind the recently announced cut and which forced the small dealers to make a similar cut to compete. These are Goodrich, Dominion, Dunlop, Firestone and Goodyear.

The tire industry in both Canada and United States has not been doing well. An evidence of this is said to be the fact that after four years' operations six of the seven leading United States companies show a net decline in surplus. There have been radical changes in the industry. The advent of the cord brought about a material decline in replacements until to-day the demand is said to average two tires per car annually. Yet the expansion of the industry has been such as to provide equipment for production to not only take care of original equipment demands but to also turn out five tires yearly for old cars.

This change in the industry along with a heavy slump in crude rubber prices has forced companies to give close study to the matter of costs. This brought about radical changes in the methods of some of the producers. It is known that one company is to-day putting out more than double the number of tires with less than half the number of employees required a year or so ago. A close study is being given to employees' welfare in the hope of keeping down labor turnover, while the sick list is closely scrutinized by a nurse in order to prevent gaps in the efficient machine that has been built up.

Reject Effort to Try and End Miners' Strike

LETHBRIDGE, Alta.—District 18 United Mine Workers of America strike is now in its fourth month with no signs of settlement. This field is tied up completely except for a number of small mines that do very little shipping. The men are known to be extremely low in funds. A little relief is coming through now and then from the International, but the amounts are small and the miners are not at all satisfied. An effort made by Frank Wheatley, president of the Alberta Federation of Labor, to get the opposing factions together was rejected.

BRITISH EMPIRE TRUST

Revenue Well Maintained

The twenty-third ordinary general meeting of the shareholders of the British Empire Trust Company, Ltd, was held on Monday, June 30, at the Abercorn Rooms, Great Eastern Hotel, Liverpool Street, London, England, Mr. J. Davidson (Deputy-Chairman and managing director) presiding.

The Secretary (Mr. H. M. Cox) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—As the report and accounts have been in your hands for some time, will you agree to take them as read? (Agreed.) In the first place, I have to apologise to you for the absence of two of my colleagues, Mr. R. M. Horne-Payne and Mr. T. Blundell Brown, both on account of ill-health. Mr. Horne-Payne has sent me a speech which, with your permission, I will proceed to read to you:—

"I am very pleased to be able again to submit to you a very satisfactory statement of your company's affairs.

"The revenue for the year from trusteeships, registrarships and secretaryships, together with interest and dividends from investments, although slightly less than last year, is well maintained and calls for no special comment.

"The profit on investments, however, was much lower than in 1922 or 1923, but, as I pointed out at our last meeting, the profit from this source for these years was exceptional and would certainly not be repeated in the year under review; in fact, I am very pleased that we have secured some profit on investments, as I had anticipated that we might have had some depreciation to face following upon the substantial appreciation of the previous years. In spite of the fact that throughout the year we have had to be content to employ at very low rates of interest the large surplus liquid funds which we are compelled by prudence at all times to hold, we are in the happy position of being able to recommend you to declare dividends of 5 per cent. on the Preferred Ordinary shares and 7 per cent. on the Deferred Ordinary shares—the same rates as last year—and after paying these dividends, of having £104,226 15s. 9d. to carry forward as compared with £94,849 10s. 4d. last year.

DIVIDEND PROSPECTS.

"The directors had hoped to revert during the past year to the pre-war practice of paying interim dividends on the Preferred and Deferred shares, and possibly of paying increased dividends. They have considered both matters very carefully, and they feel strongly that as the amount carried forward forms a reserve on which the company depends for the protection of its capital against depreciation or unforeseen losses, the first care of the Board should be to maintain it at a very substantial sum, say a clear £100,000 and thus ensure the continuity of the present dividends until such time as they feel certain that the dividends can not only be increased, but maintained, at a higher level. I think that this happy time is fast approaching, and meanwhile I would ask you to rely upon the discretion of the Board, both in the matter of the resumption of payment of interim dividends and of increasing the distributions.

"With your permission I will now take the opportunity of saying something about the companies with which we are connected.

WEST GLOUCESTERSHIRE POWER COMPANY.

"Last year I told you that we had undertaken the finance of the West Gloucestershire Power Company, Ltd. During the year great progress has been made. Thirty-seven miles of high-tension transmission lines are now built, and by the West Gloucestershire Electricity Special Order, 1924, confirmed by Parliament, with effect from 6th May last, the company becomes the authorised undertakers for the supply of electricity over an area of some 300 square miles, which includes the coal mining industrial area in and around the Forest of Dean, as well as the industrial area of the Stroud and Nailsworth Valleys. Large contracts have already been made with consumers of electricity, and other contracts are in negotiation. The progress made confirms our confidence in the success of the undertaking. Issues of Five and a Half Per Cent. First Mortgage Sinking Fund Debenture stock and Six and a Half Per Cent. Participating Preference shares are advertised to-day, and we can confidently recommend both as sound investments.

THE BRITISH COLUMBIA ELECTRIC RAILWAY COMPANY

"This magnificent enterprise continues to grow in importance and strength. It and its subsidiaries supply electric power, electric light, electric traction and/or gas to Vancouver, Victoria, New Westminster and to other growing cities and towns in the Province of British Columbia. Never has the outlook for this wonderful country been more encouraging. The combined capital of the British Columbia Electric Undertaking is now over $76,000,000, and the demand for increased facilities, principally electric power, electric light and gas, is continuous and insistent.

"To meet this demand, further important works for the development of additional supplies of electric energy from water power have had to be undertaken and additions to the plant for the manufacture and supply of gas have had to be put in hand.

"To provide the necessary capital expenditure, an issue was made by the company in February last of £770,000 Five Per Cent. (income-tax free) 1944 Debenture stock at 95 per cent. This issue met with great success, being applied for more than 21 times over.

"The company's net revenue continues to show increases month by month.

MONTEREY RAILWAY LIGHT AND POWER COMPANY.

"The progress of the Monterey Railway, Light and Power Company continues to be impeded by political conditions in Mexico.

"It has not yet been found possible to arrive at a settlement with the Government of the State of Nuevo Leon, regarding the moneys due to the company under the guarantee by that State in connection with the water and sewage concessions.

"Conditions in Mexico have also resulted in increased working costs, especially in the price of fuel.

"Notwithstanding these conditions, the company has been able to meet regularly the interest on its Five Per Cent. "A" First Mortgage Debenture Stock. The future of the company depends upon such restoration of political conditions as will lead to a settlement of the claims to which I have referred above.

CANADIAN WESTERN LUMBER COMPANY, LTD.

"Last year I told you that it would not surprise me if the result of the operations of the Canadian Western Lumber Company, for the year 1923, would be such as to enable it to complete the payment of arrears of interest on its Five Per Cent. First Mortgage Debenture Stock. This forecast turned out to be correct. The balance of the arrears of interest on the First Mortgage Debenture Stock was paid off on 1st June this year.

"The year 1923 was an exceptionally good one for the lumber industry. Prospects for the current year, however, are not favourable, and reports from Vancouver as to the present condition of the lumber industry are gloomy. There has been a falling off in the demand for lumber, and lower prices are now prevailing for the company's products. This is reflected in sales of lumber reported for the five months to 31st May, 1924, which show a decrease of 1,094,536 feet as compared with the corresponding months of 1923.

"As the result, however, of the exceptionally good years experienced in the industry since the war, the company's affairs are in a satisfactory condition, and it is able to face with confidence any reasonable period of adversity.

WINNIPEG ELECTRIC COMPANY

"At a meeting of holders of Winnipeg Electric Railway Four and a Half Per Cent. Perpetual Consolidated Debenture stock in March last, a resolution was unanimously passed agreeing to the company's proposal whereby, subject to confirmation in Canada (which has not yet been obtained), the Debenture stock, of which your company are trustees, was altered from a Four and a Half Per Cent. Perpetual Consolidated Debenture to a Five Per Cent. Thirty-year Refunding Mortgage Stock.

"The company conceded these terms in return for concessions by the Debenture holders allowing the company to issue the balance of these securities in a form suitable for the Canadian or New York markets.

"In a circular dated 18th February last the company stated that it was necessary to make the balance of the securities suitable for sale in the United States and Canada in order to provide further capital for the expenditure entailed by the continued and heavy increase in the demand upon the company— and the subsidiaries owned or controlled by the company—particularly for light, power and gas services.

CANADIAN WESTERN NATURAL GAS.

"It will be recollected that at the last annual meeting, I reviewed the position of the Canadian Western Natural Gas, Light Heat and Power Company down to a point when the Public Utilities Commissioners had intimated that, if the supplies of gas were not augmented by 1st October, 1923, the question of supply and price of gas to the City of Calgary would be reviewed by the Board.

"Every endeavour has been made by the company to comply with the requirements of the Public Utilites Commissioners.

"Active work has been done in the Foremost field, and the following new wells have been successfully completed:—

No. 1 well with a capacity of 19,000,000 cubic feet per day.

No. 2 well with a capacity of 3,000,000 cubic feet per day.

No. 3 well with a capacity of 2,000,000 cubic feet per day.

"As the result of an agreement reached between the City of Calgary and the company, the Board of Public Utilities Commissioners, upon a joint application, issued an order extending the present rates for two years —namely, until the 31st October, 1925—conditional upon the completion of the pipe-line to connect the Foremost field with the company's present main line by 31st October, 1924, the drilling of at least one additional well in the Foremost field during the season of 1924 and several other minor conditions.

"We understand that the conditions called for by the Board of Public Utilities Commissioners will be duly complied with and that the company are proceeding to construct the pipe-lines to Foremost and do not anticipate any difficulty in completing the work by the 31st October, 1924, the date laid down in the order."

I now desire to move: "That the accounts for the year ended 30th April, 1924, and the reports of the directors and auditors thereon be received and adopted."

Brig.-General E. F. O. Gascoigne, C.M.G., D.S.O., seconded the resolution, which, in the absence of question or comment, was put to the meeting and carried unanimously.

On the proposition of the Chairman, seconded by Mr. D. Northall-Laurie, F.I.C., the dividends as recommended were declared.

The Chairman then proposed the re-election of Mr. T. Blundell Brown and Brig.-General E. F. O. Gascoigne, the retiring directors, and the motion was seconded by Major the Viscount Stopford, O.B.E., and passed unanimously.

The election of Mr. A. J. Mitchell to fill the vacancy on the Board caused by the death of Sir William Mackenzie was confirmed on the motion of the Chairman, seconded by Brig.-General Gascoigne.

The auditors (Messrs. Robertson Hill and Co.), having been reappointed,

Mr. F. C. Simpson proposed a hearty vote of thanks to the Chairman, the Deputy-Chairman, and the directors of the company. He thought [illegible] on the sound state of affairs disclosed in the accounts presented.

Mr. A. J. Charters seconded the motion, which was cordially adopted.

The Chairman briefly acknowledged the compliment and the proceedings terminated.

Is Your Paper Being Correctly Addressed?

During the recent disturbance of postal delivery in the city of Toronto, we delivered all copies of FINANCIAL POST by means of a specially organized messenger service. This personal delivery revealed to us the fact that a number of copies were either incorrectly or insufficiently addressed. This was apparently due to a number of causes, but in each case it meant doubtful delivery.

Will you please co-operate with us by looking at your address label, and if necessary noting corrections on the form below, and sending it to us by return mail.

Name ....

Old or Incorrect Address ....

New or Correct Address ....

WESTERN GRAIN BADLY SCORCHED BY LONG DROUTH

Alberta and Saskatchewan More Seriously Affected Than Manitoba

By E. Cora Hind
Commercial Editor, Manitoba Free Press

WINNIPEG.—Manitoba crops appear to be in excellent shape, although somewhat late, but lack of moisture, high temperatures and hot winds have taken a very heavy toll of the crops, both wheat and coarse grains, in Saskatchewan and Alberta, according to 287 correspondents sending in their reports of conditions for the Free Press third crop report this season. There is little complaint made from Manitoba points; the crop is admittedly about two weeks later than last year, but present conditions are quite favorable and with showers from now till harvest to enable the heads to fill out, a good average yield may be expected. In Saskatchewan and Alberta conditions south of the main line of the Canadian Pacific Railway may be said to be fairly good, but working north in both provinces, conditions gradually become worse, and many points in central and northern Saskatchewan and Alberta report conditions as serious, and several points state that rain must be received immediately to get seed back.

The growth of the wheat crop appears to be very uneven throughout the west, running from six inches to over three feet. From 25 to 100 per cent. is in the shot blade, while from 5 to 75 per cent. is in head. Manitoba appears to have sufficient moisture for the time being, although some points state that further rains immediately would be helpful. The lack of moisture in Saskatchewan and Alberta is severe, the great majority of points stating rain badly needed. The damage from cut worms and other insects is light. There has been no damage from hail. The condition of the coarse grains are mostiy fair in Manitoba, but largely poor, thin and backward in Saskatchewan and Alberta.

MANITOBA.—Wheat in Manitoba appears to be about two feet in height on the average. Practically all past the shot blade stage and is about 50 per cent. in head. With one exception, Sanford, every point reports having rain during the last three weeks, and while a few points state moisture is badly needed, the majority report shows showers, while others state there is sufficient moisture for the time being. Only slight damage in isolated districts is reported from cut worms or other insects, and there has been no damage from hail or other sources. The wheat crop is estimated from 10 days to two weeks later than last year, but is in good condition and only needs showers to carry to maturity in good average shape. The coarse grains are mostly fair and healthy, a few districts patchy with more rain needed, but general conditions can be said to be very favorable.

SASKATCHEWAN.—The average height of wheat in Saskatchewan appears to be about 16 inches with an average of 70 per cent. in the shot blade and about 40 per cent. in head. The rainfall during the last three or four weeks has been very light, many districts receiving practically none, while practically every point admits that good soaking rains are badly needed. Compared with last year the condition of the wheat crop is late and unfavorable. Crops are undoubtedly suffering severely from the drought in large important areas and a largely decreased yield is in prospect. The coarse grains are little better than the wheat, late thin and suffering from drought and it is stated that immediate rains would greatly benefit coarse grains; many correspondents state the situation is discouraging.

ALBERTA.—The average height of wheat in Alberta runs from 6 inch to two feet; about 95 per cent. is in the shot blade and possibly 50 per cent in head.

Conditions in Alberta are good, having received light rains during the past few weeks, but more moisture is needed. In central and northern Alberta the amount of moisture received the last three weeks has been extremely light, and with high temperatures the crops have suffered severely and present conditions are serious and much below that of a year ago at this time. The coarse grains are given for poor to fair, and rain is urgently needed to save crop from failure. A few points report damage from insects, but this is not serious.

Riordon Has $10,000 Bill for Legal Advertising

MONTREAL.—Due to lack of anticipation of the unexpected the Riordon Company are now required to expend over $10,000 in advertising notice of liquidation, because of the terms of a certain trust deed. The man who drew up this deed, probably without any thought of its subsequent use, inserted the clause that, in the event of liquidation, notice should appear in a daily newspaper of general circulation for six successive weeks. Unfortunately, in the instance of the Riordon Company, this notice takes nearly three full pages of space, which for six insertions in the lucky newspaper, plus some advertising in the United States, involves an expenditure of over $10,000.

The Clark E. Locke Advertising Agency, Confederation Life Building, Toronto, has recently been appointed to represent in Canada, Messrs. Walter Judd, Limited, London, England, a British advertising agency which has been established for upwards of forty years.

Great Lakes Company Builds Big Freighter

The Great Lakes Transportation Co., Midland, Ont., has under construction a huge bulk freighter to ply on the Upper Lakes. The vessel will be 560 feet long and 60-foot beam, with 12,000 tons freight capacity. The hull is nearing completion. The company expects the boat will be finished by June, 1925. It will be the second largest boat plying on the Great Lakes, and will fly the "Glenisser" flag. About 350 men are being employed in the construction, which, together with the usual summer activity in the Midland district, has been making business good there. Jas. Playfair is president of the Great Lakes Transportation Co.

OBJECT TO "NATIONAL" FOR PRIVATE PROJECT

Some Ottawa Members Evidently Want Field Left Open for a Government Bank

From Our Own Correspondent.

OTTAWA.—The banking and commerce committee of the Commons has shown a marked tendency this session to reserve the use of the word "National" for institutions of a strictly national and governmental nature. This was seen in the action in reporting against the bill asked by the Bank of Hochelaga, permitting the use of the translation "National Canadian Bank" by the reorganized Banque Canadien Nationale.

The "ginger" group of the Progressives, together with Labor leader Woodsworth, presented the strongest opposition. They were also supported by Hon. H. H. S. Stevens and A. R. McMaster, as well as C. G. Power, who sits for one of the Quebec City seats. The sentiment for the creation of a national bank has grown in Parliament during the last few years, and as some members think that possibly such an institution may materialize within the comparatively near future, they consider it unwise that the term "National" should be pre-empted in any way by another institution.

Beaudry Leman, for the bank, made a good impression on the committee, being an unusual combination of refinement; urbanity and efficiency, with a splendid mastery of two languages. But despite all that the bill went down by a narrow majority. Nothing daunted, its sponsor, Paul Mercier, induced the House to have the bill restored to the order paper.

SWITZERLAND OF AMERICA IS HERE

Some Interesting Comparisons of Tourist Revenue of the Two Countries

LONDON.—According to figures recently compiled by the Parks Branch of the Dominion Government, the amount of money spent by tourists in Canada last year is estimated at $136,000,000, or about one-third of the cash received by the farmers of the three prairie provinces through the sale of wheat and other agricultural products. Probably $40,000,000 of that tourist money came from travelers who came to see the Canadian Rockies. Previous to the War, the annual tourist revenue earned by Switzerland was estimated at $150,000,000, while the Rhine was supposed to bring approximately $100,000,000 of tourist revenue to Germany, so that Canada's $136,000,000 from a similar source provides interesting comparison, as pointed out by President Beatty of the C.P.R. According to the Government figures, 90 per cent. of the tourists in Canada come from the United States.

The destruction of Dominion Stores' warehouse in Toronto recently will likely mean a loss to the company over and above the insurance carried. This is not expected to be large. Work is now being rushed on the new warehouse recently acquired from Canada Bread.

ROBB MADE GOOD IN THE HOUSE AS ACTING MINISTER

Business Man Succeeded Where Politician Would Fail

From Our Own Correspondent.

OTTAWA.—Hon. J. A. Robb, who is now on his way across the Atlantic, got through the House his estimates for the department of finance and immigration with a great deal less trouble than might have been expected. He also piloted through a large batch of legislation that for size and importance would have done credit to any Minister of Finance.

He got along as well as he did, for he brought to his work a business man's attitude for an essentially business man's job. His object was not to make eloquent and impressive speeches, but to get certain work done in as short a time as possible, making due regard to its consideration. Neither did he try to impress his hearers with the fact that he was a kind of supreme authority on the subject.

Hon. Mr. Fielding would have had a merry time trying to get the bank inspection amendments through the House. The speech he made on introducing his last amendments, in which he ruthlessly rejected proposals for inspection, would have been quoted against him with damaging effect. Both Mr. Meighen and the Progressives would have had fun at his expense. But Mr. Robb having nothing to take back, went right ahead. In bringing in his proposals he got credit for doing what any common sense man would have done under the circumstances.

In the banking and commerce committee Mr. Robb subjected every proposal to the acid test of experience. Would it work? that was the question. Respecting the banking system generally, he proceeded on the assumption that in the main it was sound. He also thought that if it has a weak joint inspection will tighten it up. Towards other changes his attitude is this—"Let us try out these we are making and if other changes are needed, we will make them."

Mr. Robb has a rather neat way of handling the Progressives. Being a miller he has a clear insight into their problems in grain handling and knows from experience when their proposals have merit. He always pays attention to what the Progressives have to say. When he thinks they are mistaken he says so; but if they persist in having what they want, he generally says "Well take it," at the same time taking care that no damage is done.

Handling the Progressives

When the Progressives wanted the wheat pool legislation he said, "It can't very well be worked;" but as they would have it he gave them as much as he could. When they asked for the Grain Commission, he said, "It will not do you much good;" but when they persisted he said, "Well take it." Now when they are complaining because of the expense, he has said, "I told you so."

Taking it all in all, Hon. J. A. Robb has shown by his work throughout the session that he was the best man in the Cabinet that Mackenzie King could have got for the duties of acting Minister of Finance. By having him there the Government got by with a great deal less criticism than they otherwise might have had.

Mr. Robb has also had to exhibit good sense enough to admit certain things that went against him rather than try to argue himself out of an impossible position. Asked by Sir Henry Drayton if he did not think that government by commission was rather expensive, he admitted that it was. He also told the House that he had called the members of the Pulpwood Commission back from the United States. He also added that he would be glad to have the commission report and get off the payroll.

Home Bank Ills Long Standing

The liquidator's report on the assets of the Home Bank showed that the causes which brought about the downfall of that ill fated institution existed practically from the beginning of its operations. The so-called Frost Loan which was secured by timber limits in British Columbia was taken over with the assets of the Home Savings and Loan Company in the shape of an advance of some $800,000 against the bonds of the Chicago, Milwaukee and St. Paul Electric Railway transaction which while regular enough in form was from a practical standpoint quite absurd. An institution of the size of the Home Savings & Loan Company has no right to make an advance of that amount to anyone no matter what the security for the reason that the transaction was out of all proportion to its capital and resources. The security for the loan became worthless and subsequently an arrangement was made by which additional funds were advanced against timber limits in British Columbia, and when this security was taken the borrower used the funds to retire the bonds originally pledged.

The effect of this was that the advance which was an absurdly large amount in the beginning was practically doubled and depended for payment on the sale of the British Columbia properties at, of course, a substantial advance. If the facts had been known at the time the bank could not have continued and as the transaction referred to seemed to be a fair illustration of the business methods of the General Manager, there must have been other assets just as difficult of realization. Under the circumstances it would look therefore as if the Home Bank was never more than a shell at least and the great wonder is that it lasted as long as it did. General opinion has it that the first two General Managers were incapable as bankers but credit must be given them for the magnificent bluff they carried on for so long. The report of the Commission is based on an inquiry strictly limited in its scope to the years 1915, 1916, and 1918 and any finding therefore can be nothing more than an opinion. It is a brave man who would undertake to say what could have been realized from the assets had the bank been wound up in either of those years. Theoretically, of course, it is possible to make a good case but practical men will place very little reliance on it as anyone with experience in the handling of insolvent estates knows how values shrink under forced realization.

The Commissioner from the evidence submitted seems to be of the opinion that if the bank had been wound up in 1916 or 1918 sufficient might have been realized to pay the depositors but practical business men will have grave doubts whether such a satisfactory result could have been obtained under the circumstances. It is, of course, merely one opinion against another, but one is based on practical experience.

Many doubt whether the assets after the first year of its operation would have realized enough to pay the depositors in full and whether the good will and connections of the organization would have made them worth purchasing by another bank.

The only certainty is that had the show down been forced in the earlier stages of its ill-fated and mismanaged career, it would have been easy to fix the blame and, of course, the losses would have been much less.

TENDERS FOR LOANS

SO MARKED, will be received at this office up to 12 o'clock noon on the 22nd. day of July next, from parties disposed to purchase Debentures or Stock of the City of Halifax, in whole or in part as below described, sufficient to produce at the prices offered the sums required by the City for the following purposes:

PERIOD 30 YEARS	
Permanent Pavement Construction Under Chap. 68, Acts 1923	60,000.00
Public Sewer " " " " 1923	25,000.00
Public Sewer " " " 62, " 1924	10,000.00
Water Extensions " " " 52, " 1922	25,000.00
	$120,000.00
SHORT TERM LOAN PERIOD 4 YEARLY INSTALLMENTS	
Independent Audit Under Sub-section 3 Section 31, Acts 1923	$22,000.00
Dr. Douglas Suit vs City as amended by Chapter 62, Acts 1924	4,487.33
Unemployment Loan	8,000.00
	$34,487.33
SHORT TERM LOAN—PERIOD 5 YEARLY INSTALLMENTS	
Can. Bituminous Paving Co.'s Suit vs. City.	$68,000.00
Under Section 29 Chapter 54, Acts 1922.	
Under Section 8, Chapter 61, Acts 1924.	
Long Term Loan to run 30 years from July 1st, 1924 for the sum of	$120,000.00

Rate of interest, 5 per cent. per annum, Coupon debentures for $1,000 each or stock certificates in multiples of $100 each will be given.

Interest Payable half yearly in lawful money of Canada on the 1st day of January and July.

Short Term Loan to run 4 years from August 1st, 1924 for the sum of	$34,487.33
Short Term Loan to run 5 years from August 1st, for the sum of	68,000.00

Rate of interest 5 per cent. per annum from August 1st, 1924. Principal repayable in 4 and 5 equal annual installments from August 1st, 1924 By Order, JAMES T. HOPEWELL, City Treasurer.

County of York

DEBENTURES FOR SALE

Sealed tenders marked "Tender for Debentures" and addressed to the Treasurer of the County of York, 57 Adelaide St. E., Toronto, will be received up to 12 o'clock noon on Wednesday, July 30, 1924, for the purchase of $366,000 5% serial bonds, maturing 1925 to 1944. Interest payable half-yearly. The highest or any tender not necessarily accepted. Schedule of maturities upon request.

D. J. MACDONALD,
Treasurer of the County of York.

Brazilian Traction, Light and Power Company, Limited

(Incorporated under the Laws of Canada)

NOTICE IS HEREBY GIVEN that the Board of Directors of this Company has declared a quarterly dividend of one per cent. on the issued Ordinary Capital Stock of the Company, payable on 1st September, 1924, to all shareholders of record on the registers, at the close of business on the 31st July, 1924.

Dated at Toronto, Canada, 15th July, 1924.

J. M. SMITH,
Secretary.

Note:—The Transfer Agents of the Company are National Trust Company, Limited, Toronto and Montreal, Canada.
The London Agents of the Company are the Canadian and General Finance Company, Ltd., 3 London Wall Buildings, London, E.C.2.

B. C. apple crop estimated two and quarter million boxes, against over three million last year; grain crop good.

Tenders for Debentures

Tenders will be received by the undersigned up to 7 o'clock on Monday, the 28th day of July, 1924, for the purchase of $95,500.00 Debentures, made up as follows:—

By-law 272, $12,000.00, 6 per cent. 20-year, debentures to complete the building, equipment and furnishing the addition to the Dome Mines School, of School Section No. 1, Tisdale.

By-law 273, $12,000.00, 6 per cent. 20-year, debentures, to complete the building, equipment and furnishing of a Teacher's Residence at South Porcupine, School Section No. 1, Tisdale.

By-law 274, $65,000.00 6 per cent. 20-year debentures, to build, equip and furnish an addition or extension to Schumacher School, School Section No. 2, Tisdale.

By-law 275, $6,500.00, 6 per cent. 15-year, debentures, to complete Teachers' Residence at Schumacher, School Section No. 2, Tisdale.

Debentures will be for $1,000.00 each and odd hundreds, equal annual payments are $1,046.21, $1,046.21, $5,667.00, $669.25 respectively, and are guaranteed by the Province of Ontario.

Further particulars may be had from the undersigned.

Dated this 10th day of July, 1924, at South Porcupine.

FRANK C. EVANS,
Treasurer Township of Tisdale.

The Canadian Converters' Co., Limited

DIVIDEND NOTICE

NOTICE is hereby given that a Dividend of One and three-quarters (1¾%) Per Cent. has been declared on the Capital Stock of this Company, for the quarter ending 31st July, 1924, payable 15th August, 1924, to Shareholders of record, at the close of business, 31st July, 1924.

By order of the Board.

THOS. M. BARRINGTON,
Secretary-Treasurer.

Montreal, 10th July, 1924.

NEW ISSUE

We offer, subject to prior sale

$1,500,000

First Mortgage 7% Serial Bonds

NATIONAL CEMENT COMPANY

Incorporated under the laws of the Province of Quebec.

Denominations—$100, $500, $1000.

Manuel L. Sylvia, President, National Cement Company, summarizes his letter to the bankers as follows:

DATE—May 1st, 1923.

MATURITY—$50,000 annually from 1927 to 1929 inclusive, $100,000 annually from 1930 to 1937 inclusive and $550,000 in 1938.

COUPONS—May 1st and November 1st.

PAYABLE—Principal and interest payable at Bank of Hochelaga, Montreal and Quebec, in Canadian gold; or in United States gold at National Park Bank, New York City, or National Shawmut Bank, Boston, at the option of the holder.

TRUSTEE—General Trust of Canada, 112 St. James Street, Montreal.

REGISTRATION — General Trust of Canada.

LEGALITY—Messrs. Beique & Beique, and Messrs. Elliott & David, of Montreal.

REDEMPTION — The Company has the right to redeem the bonds before maturity on any interest date at 105 for the first five years, and 102 for the subsequent years.

CAPITALIZATION:

	Authorized	Outstanding
7% First Mortgage Bonds	$1,500,000	$1,500,000
8% Cumulative Preferred Shares, $100 par value	1,500,000	979,300
Common Shares, $100 par value	2,500,000	2,500,000

PROPERTY—The Company will own upon completion of the present program, in fee simple and free of all liens (except the above First Mortgage Bond Issue), a modern well-equipped cement mill in Montreal-East, comprising 102 acres of ground in one of the most desirable sections of greater Montreal upon which raw material for the manufacture of cement is found in proper chemical composition and in almost inexhaustible quantity. (R. K. Meade).

PURPOSE OF ISSUE—The purpose of this issue is to provide funds for the completion of the plant and for working capital.

MANAGEMENT—Mr. Richard K. Meade, Baltimore, a cement engineer of national reputation under whose direction the mill is being erected, has been appointed Managing Director of the Company.

We offer the above bonds,
with a bonus of 20 to 33⅓% in common stock, at

100 and accrued interest

Exchange will be credited on payments made in Canada in American currency.

Versailles, Vidricaire, Boulais, Limited
Bankers
Versailles Building, 90 St. James Street
MONTREAL

Le Comptoir Financier, Limited
Bankers
Versailles Bldg., 90 St. James Street
MONTREAL

Pond & Company, Inc.
Bankers
35 Congress Street
BOSTON

Credit-Canada, Limited
Bankers
Transportation Bldg., 120 St. James St.
MONTREAL

While not guaranteed, the above information has been obtained from sources which we believe to be reliable.

NOTICE OF DIVIDEND

Famous Players Canadian Corporation, Limied

Notice is hereby given that a Dividend of $2.00 per share for the quarter ending 1st August, 1924, has been declared upon the First Preference Stock of the Company, payable on the 30th of August, 1924, to shareholders of record, Thursday, the 31st of July, 1924.

By order of the Board,
N. L. NATHANSON,
Managing Director.

Dated Toronto, July 14th, 1924.

The Trinidad Electric Co. Limited

NOTICE IS HEREBY GIVEN that a dividend of 1¼% for the quarter ending June 30th, 1924, on the Capital Stock of the Company has been declared.

Warrants will be issued and mailed to the address of each shareholder and are payable at the Royal Bank of Canada, Halifax, N.S., on and after the 10th July, 1924.

The transfer books of the Company will be closed from the 1st to the 10th of July, 1924, both days inclusive.

By Order of the Board,
F. B. OXLEY,
Secretary.

Abitibi Power & Paper Company Limited

NOTICE IS HEREBY GIVEN that a quarterly dividend of $1.00 per share has been declared on the Common Stock of the Abitibi Power & Paper Company, Limited, payable the 21st day of July, 1924, to shareholders of record at the close of business the 10th day of July, 1924.

By Order of the Board,
L. R. WILSON,
Secretary.

McINTYRE PORCUPINE MINES LIMITED

(No Personal Liability)

DIVIDEND NO. 23.

NOTICE is hereby given that a dividend of five per cent. (5%) on the issued Capital Stock of the Company will be paid on the 1st day of September, 1924, to shareholders of record at the close of business, August 1st, 1924.

By Order of the Board,
BALMER NEILLY, Treasurer.

Dated at Toronto, July 11th, 1924.